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OPEC Ministers on Western 'Failure To Act'

BK1610111190 Hong Kong AFP in English 0917 GMT 16 Oct 90

[By Endy Bayuni]

[Text] Jakarta, Oct 16 (AFP)—Several OPEC oil ministers Tuesday criticised Western nations for their failure to act to bring order to world oil markets. Oil ministers from Algeria, Nigeria, Venezuela and host Indonesia, gathering here for an energy seminar, said the major industrialised countries could help stabilise the volatile markets if they released their huge oil reserves instead of waiting until the Gulf crisis worsened.

Celestino Armas of Venezuela described measures by the Organization of Petroleum Exporting Countries (OPEC) to stabilise the market and the West's failure to act as "an astonishing contrast." "The major nations keep hesitating about what to do on energy policies while the International Energy Agency (IEA) looks like it's stuck in the Shakespearean dilemma 'to be or not to be'," Mr. Armas said.

The Paris-based IEA, comprising Western industrialised countries, oversees the energy needs of member countries.

Oil prices passed 40 dollars a barrel last week, more than double the level before the Iraqi invasion of Kuwait on August 2, on fears of a deterioration of the situation in the Gulf.

Algerian Minister Sadek Bousenna, who is also president of OPEC, said the 13-member group had already "done all it could" to stabilise the market by freeing members from quota restrictions to make up for lost supplies from Iraq and Iraqi-occupied Kuwait, two OPEC members subject to U.N. economic embargo. OPEC nations were currently exporting some 22.2 million barrels per day of oil, almost close to the pre-crisis level of 22.5 million.

Mr. Bousenna said the recent jolts in oil prices had nothing to do with supply and demand as the two were fairly balanced. But he warned that a shortage could develop in the coming months with the start of winter in the northern hemisphere. "We are faced with a crisis, the core of which is beyond our control, but at least we could soften the side effects," he said, adding that industrial countries should start releasing their oil stocks.

Nigerian Oil Minister Djibril Amino also criticised the IEA for its policies of driving down oil prices in the past, noting that the current 40 dollar-a-barrel level was actually a third of what it was in the 1970s after inflation. Mr. Amino said the current crisis had shown that oil was still a vital source of energy in the world and therefore OPEC and the IEA should discuss the matter.

Minister Ginanjar Kartasasmita of Indonesia said the current high oil prices were a result of psychological factors and speculation. The release of oil stocks by the industrialised countries would "have an immediate effect on the psychology of the market and thereby keeping the oil prices from running out of hand," he said.

Indonesian President Suharto in his speech opening the seminar warned that the world could experience another major economic recession if countries failed to act to bring oil prices under control. "Once the world is in a recession, it will be difficult and take a long time to recover," he said.

Indonesian officials said the four OPEC ministers were expected to review the oil market situation during the three-day seminar focussing on the energy outlook in the Asia-Pacific region.

Also taking part are OPEC Secretary General Subroto and a representative of the IEA. Officials did not rule out that informal contacts could take place between the IEA and OPEC while the seminar was taking place.

Conference on Northeast Asian Cooperation Ends

OW0710114790 Ulaanbaatar International Service in English 0910 GMT 5 Oct 90

[Text] The International Scientific Conference on Northeast Asian Coopertion has ended in Ulaanbaatar. Scholars from seven states—Canada, China, South Korea, Mongolia, the USSR, the U.S.A., and Japan—have exchanged views on the ways of extending northeast Asian contacts. It spoke, in part, for promoting regional economic integration, reduction of armaments, ecological interaction, cultural and scientific exchange.

According to the conference participants, such symposiums obviously do play an important role in mapping out governmental and intergovernmental policies on guaranteeing stability and mutually beneficial cooperation in northeastern part of the Asia-Pacific region.

Japan

Reportage on SDF, Peace Bill Issue Continues

Troops' Withdrawal Conditions

OW1610162990 Tokyo KYODO in English 1425 GMT 16 Oct 90

[Text] Tokyo, Oct. 16 (KYODO)—Self-Defense Forces (SDF) members participating in support activities in the Persian Gulf as part of a proposed United Nations Peace Cooperation Corps would be pulled out of their areas of operation if danger appeared imminent, a senior Foreign Ministry official said Tuesday.

Nobutoshi Akao, director of the Foreign Ministry's United Nations Bureau, told foreign correspondents that the action would have to be taken because of prohibitions in Japan's pacifist-oriented Constitution.

"The Constitution does not allow our military personnel to be involved in the threat of force or the use of force," Akao said. He was referring to Article Nine of the Constitution, which says, "The Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes."

"Our basic principle is that we don't send people to the combat zone," he said, indicating that non-SDF members of the corps would also be withdrawn in the event of danger.

Asked to define what constitutes a "combat zone" in the case of the Persian Gulf, Akao said, "we have to make that judgment on a case-by-case basis." He said the general interpretation in the government is that a "combat zone" is an area where fighting is either taking place or very likely to break out.

As the situation in the Gulf stands at present, Akao said, Saudi Arabia in its entirety would not be regarded as a restricted area. "We are interpreting 'combat zone' in a bit narrower sense," he said.

Offering an example, Akao said that if the Japanese corps were to transport supplies and render other logistical assistance to the multinational forces in noncombat zones under the prevailing circumstances, there would be no constitutional dilemma.

"But once fighting starts ... they have to stay away," he said. "It will be not be possible for them to drop cargoes and so on from airplanes in fighting areas." The corps would not necessarily be evacuated from the Gulf region, but could merely be withdrawn outside the zone of conflict, he added.

Akao told reporters the cabinet's legal office would set out for the corps what type of action and behavior "constitute an integral part of the "use of force' that is unconstitutional."

He said corps members would most likely take with them a manual to help them gauge what falls inside or outside constitutional restraints, while the leader of the corps would make the necessary on-the-spot decisions.

Members To Wear Own Uniforms

OW1610154990 Tokyo KYODO in English 1403 GMT 16 Oct 90

[Text] Tokyo, Oct. 16 KYODO—Self-Defense Forces (SDF) personnel participating in a government-proposed United Nations peace cooperation corps [PCC] would most likely wear their own SDF uniforms, a senior Foreign Ministry official said Tuesday.

"We are thinking they should be allowed to wear their own uniforms," said Nobutoshi Akao, director general of the ministry's United Nations Bureau, in a meeting with foreign correspondents. "But we shall ask them to put some kind of (identification) mark on their arm or somewhere to show they are members of the peace cooperation corps," Akao said.

The official said the Foreign Ministry has reached agreement on this point with the Defense Agency.

Foreign Ministry officials had previously said the members of the corps, which could be sent to the Persian Gulf as early as within this year, would likely be given a special PCC uniform to wear on duty overseas.

The bill to establish the corps under a U.N. peace cooperation law, submitted to the Diet earlier Tuesday, also provides for the participating SDF personnel to carry handguns or rifles for self-protection.

The move to dispatch armed SDF peace corps personnel overseas wearing military-style uniforms contrasts with Japan's previous efforts to have its defense forces maintain a low profile in keeping with the pacifist ideals embodied in Japan's Constitution.

Constitutional Adherence Emphasis

OW1710131990 Tokyo KYODO in English 1204 GMT 17 Oct 90

[Text] Tokyo, Oct 17 (KYODO)—Prime Minister Toshiki Kaifu reiterated Wednesday that Japan will maintain its constitutional framework in dispatching the proposed peace cooperation corps to assist U.N. peacekeeping activities in the Middle East.

Japan will stick to its basic policy that it will never become a major military power again as a show of remorse for the history of aggression of Asian countries before and during World War II, Kaifu said.

Kaifu made the remarks at plenary sessions of both houses of the Diet. The prime minister defended a bill to deploy the forces for the second day at the extraordinary Diet session which was convened last Friday.

Interpellations on Kaifu's policy speech end Thursday.

The Kaifu government is striving to pass the legislation through the Diet during the month-long session.

Asked about Asian countries' concern over participation in the corps by the Self-Defense Forces [SDF], Kaifu said Japan will make every effort to dispel their concerns because the U.N. resolutions will have an important influence on peace and stability in the Asia-Pacific region.

Kaifu said activities of the corps, mainly composed of noncombat personnel of the SDF, will be based on U.N. resolutions and will be within the framework of the Constitution, which renounces the threat or use of force. The dispatch of SDF members abroad based on the U.N. Peace Cooperation Law does not violate the Constitution, Kaifu said.

Kaifu said the bill does not intend to provide Japanese troops to the U.N. forces nor launch joint operations with multinational forces.

The Japanese Government drafted the bill following a U.S. request that Japan contribute not only financial but also personnel assistance to resolve the Persian Gulf crisis triggered by August 2 Iraqi invasion and subsequent annexation of Kuwait.

The bill includes overseas dispatch of noncombat personnel of the Self-Defense Forces for the first time since the end of World War II.

Tetsuzo Fuwa, chairman of the Japan Communist Party's Presidium, demanded that the government withdraw the bill, saying the legislation aims at enabling the SDF to engage in joint military operations with the U.S. forces under the name of cooperation with the U.N.

Keigo Ouchi, chairman of the Democratic Socialist Party, said his party appreciates the creation of the peace cooperation corps to assist the U.N. peacekeeping activities without involving the use of force.

Political parties in the opposition-controlled House of Councillors have not yet reached agreement on the size of the proposed special committee to discuss the U.N. Peace Cooperation Bill, parliamentary sources said.

The ruling Liberal Democratic Party [LDP] and the opposition Democratic Socialist Party [DSP], which are in favor of the bill, insist that the committee consist of 45 members, while other opposition parties which oppose the bill claim it should consist of 40 members.

The bill would likely pass if the committee is composed of 45 members, because the LDP and the DSP would hold a majority of 23 members, but the bill would likely fail in a 40-member committee because the two parties would not hold the majority.

The LDP and the opposition parties in the House of Representatives, where the ruling party holds a comfortable majority, agreed to set up a special committee to discuss the bill on Thursday.

Watanabe Views Failure Potential

OW1710143490 Tokyo KYODO in English 1338 GMT 17 Oct 90

[Text] Tokyo, Oct 17 (KYODO)—Michio Watanabe, former chairman of the Liberal Democratic Party's [LDP] Policy Research Council, said Wednesday that if the U.N. Peace Cooperation Bill fails to pass the House of Representatives, there will be no choice but to dissolve the lower house or seek the cabinet's resignation. In such a case, Prime Minister Toshiki Kaifu should bear responsibility, Watanabe told a meeting of his faction.

Watanabe is one of several candidates who hope to succeed Kaifu. He said the government should not revise the bill in an attempt to pass it through the Diet, but should review its interpretation of the Constitution in accord with changes in Japan's status in the international community.

A senior official of the LDP faction led by former Foreign Minister Shintaro Abe also said that the government should take the blame if it is unable to answer questions posed by opposition parties on the bill in the Diet. He said such a development would have far-reaching political implications.

Watanabe and the senior Abe faction official are regarded as attempting to undermine Kaifu whose lack of leadership they argue was exposed during the drawing up of the legislation.

Watanabe, a former finance minister, later met LDP Secretary General Ichiro Ozawa and explained that he had intended to say the LDP should be aware it is the governing party.

Ozawa said it is unlikely the bill will not pass the lower house. He said the cabinet need not take the responsibility if the bill fails in the House of Councillors since the LDP does not hold a majority there.

A top official in former State Minister Toshio Komoto's faction, to which Kaifu belongs, defended Kaifu, saying the prime minister is not responsible for the absence of an LDP majority in the upper house.

The opposition camp is expected to question the government over alleged inconsistencies in its interpretation of the Constitution during Diet deliberations on the bill.

'Extremist' Students Protest

OW1710075590 Tokyo KYODO in English 0652 GMT 17 Oct 90

[Text] Kyoto, Oct 17 (KYODO)—Several extremist students occupied the Office of the Dean of Kyoto University on Wednesday in protest of a government-proposed bill which would empower the dispatch overseas of members of Japan's Self-Defense Forces (SDF).

Kyoto police said the students appear to belong to the Chukaku-ha (Middle Core Faction) radical group

because they wore Chukaku-ha helmets. The students broke into the office but otherwise have not caused further trouble with the university administration and no request for riot police has been made by the university, police said.

The helmeted radicals, all students of Kyoto University, hung banners calling for scrapping the U.N. Peace Cooperation Bill from the building housing the dean's office, while two of them occupied the office itself and appeared to have a few days' supply of food, police said.

The students also are calling for obstructing the imperial enthronement ceremony next month and preventing the dispatch of SDF personnel overseas.

The Japanese Constitution prohibits the use of force to solve international disputes. The government says the proposed bill is within the constitutional limit.

Japan has been criticized internationally for not doing enough to assist the multinational forces deployed in Saudi Arabia following Iraq's invasion of Kuwait on August 2.

China, and South Korean mass media, have expressed opposition to the proposed bill, saying it will lead to a revival of Japanese militarism.

Students Continue To Occupy Room

OW1710145290 Tokyo KYODO in English 1320 GMT 17 Oct 90

[Text] Kyoto, Oct 17 (KYODO)—Two Kyoto University students continued their occupation of the president's room (correct) late Wednesday in protest over a government-proposed bill allowing the dispatch overseas of Self-Defense Forces (SDF) personnel.

The students, with enough food to last several days, barricaded themselves in the room of President Yasunori Nishijima at around 6.20 A.M. on Wednesday. The two are from a student group consisting mainly of members of the extreme leftist Chukaku-ha (Middle Core Faction). They are protesting the United Nations Peace Cooperation Bill, currently being debated in the Diet and the Daijosai, a religious ceremony marking the enthronement of Emperor Akihito.

A Kyoto University official unsuccessfully attempted to persuade the students to leave the room. The official later read out a warning letter urging the occupiers to leave, and put it on the door.

The university management said it will continue its efforts to persuade the students to vacate the room and has not called police onto the campus, university officials said.

Meanwhile, other members of the group staged rallies and marches on the campus of Kyoto University. No injuries were reported in Wednesday's incidents though the demonstrating students jostled briefly with school officials.

In September, the group sent an open letter to president demanding he undertake not to involve the university in a government-sponsored medical team to be sent to the Middle East.

Kyoto University is a prestigious state university which along with the University of Tokyo was a stronghold of leftist students during nation-wide protests mainly against the Japan-U.S. Security Treaty in the 1960s and early 1970s.

Japanese Hostage in Iraq Released 17 Oct

OW1710120590 Tokyo KYODO in English 1126 GMT 17 Oct 90

[Text] Baghdad, Oct 17 (KYODO)—Iraqi authorities Wednesday released a 52-year-old Japanese man held hostage in Iraq, Japanese Ambassador to Baghdad Kunio Katakura said. He told reporters that the embassy has taken custody of the hostage, identified as an employee of the Mitsubishi Corp. representative office in Baghdad.

Katakura said two or three more Japanese hostages are expected to be released by Thursday.

Kaifu Rejects Demands To Sack Justice Minister

OW1710045890 Tokyo KYODO in English 0418 GMT 17 Oct 90

[Text] Tokyo, Oct. 17 KYODO—Prime Minister Toshiki Kaifu on Wednesday rejected an opposition demand for the removal of Justice Minister Seiroku Kajiyama, who has been widely condemned for racist comments.

In reply to a demand for Kajiyama's resignation by Manzo Hamamoto of the Japan Socialist Party at a House of Councilors plenary session, Kaifu said that he deplored Kajiyama's remarks on American blacks and gave him a stern warning.

Kaifu dismissed the resignation demand, saying Kajiyama has withdrawn his remarks and apologized for them.

The Government will make efforts to educate people about minority groups, Kaifu said.

Kajiyama sent an apology letter Wednesday to the U.S. Congressional Black Caucus over the matter.

He told reporters on September 21, the day after inspecting a crackdown on foreign women allegedly engaged in prostitution in Tokyo, that "It's like in America when neighborhoods become mixed because blacks move in and whites are forced out. ...Prostitutes ruin the atmosphere in the same way."

The U.S. Congressional Black Caucus recently submitted a resolution to Congress calling on Japan to fire the justice minister.

On the proposed United Nations Peace Cooperation Law to send personnel, including noncombat members of the Self Defense Forces (SDF) to troubled areas abroad, Kaifu repeated Japan will maintain the constitutional framework to assist international peacekeeping activities.

Kaifu said the UN Peace Cooperation Corps to be dispatched abroad will never exercise military force.

He also said that he had not instructed government officials to review the traditional interpretation of Article 9 of the Constitution to pave the way for the overseas dispatch of SDF combat members.

The provision bans the use, or the threat, of force to resolve international disputes. It has been widely interpreted to deny the right of collective defense and to prohibit the overseas dispatch of the SDF.

On the U.S. call for Tokyo to share more of the spending burden needed to keep the U.S. forces stationed in Japan, Kaifu said the Government will continue its efforts to shoulder more expenditures for efficient implementation of Japan-U.S. security arrangements.

The U.S. Senate on Monday adopted an amendment to cut the 50,000 U.S. troops in Japan by 10,000 a year if Japan fails to shoulder the entire cost of their deployment. Japan currently spends some 2.9 billion dollars in so-called host-nation support.

Kajiyama Apologizes for Controversial Remarks

OW1710055290 Tokyo KYODO in English 0358 GMT 17 Oct 90

[Text] Tokyo, Oct. 17 KYODO—Justice Minister Seiroku Kajiyama sent an apology Wednesday to the U.S. Congressional Black Caucus for his recent remarks comparing black Americans to prostitutes, the chief government spokesman said Wednesday.

Chief Cabinet Secretary Misoji Sakamoto said Prime Minister Toshiki Kaifu will also make an official apology soon to the United States for Kajiyama's racial slur.

Sakamoto said in a press conference that Kajiyama sent Democratic Representative Mervyn Dymally of California, who leads the caucus, a letter apologizing for his controversial remarks and explaining his "true intentions" in making them.

Kaifu will shortly express the Government's apology to the U.S. in line with his previous remarks regretting the matter, but the form and timing of the apology are as yet undecided, Sakamoto said.

Kaifu said last Friday that he felt "heartache that the comment has given displeasure to Americans," and called Kajiyama's remarks "extremely inappropriate." The prime minister reiterated his regret in the Diet (parliament) on Tuesday.

Kajiyama told reporters September 21, the day after inspecting a crackdown on foreign women allegedly engaged in prostitution in Tokyo, that, "It's like in America when neighborhoods become mixed because blacks move in and whites are forced out ...prostitutes ruin the atmosphere in the same way."

Last Thursday in Washington, six members of the Black Caucus, led by Dymally filed a protest over the "racially offensive" remark with Japanese Ambassador to the U.S. Ryohei Murata, handing him a copy of a resolution caucus members submitted to Congress on October 3. The resolution urged President George Bush to demand that the Japanese Government fire the minister and apologize to Americans.

The resolution is likely to pass the Senate over the weekend.

The caucus has also called for a boycott of Japanese products in the U.S.

The apologies are aimed at alleviating worsening frictions between the two allies, government sources said. Kajiyama apologized and withdrew his remarks last week, saying he has "no intention of engaging in racial discrimination."

Kaifu gave him a stern warning over the issue, but told the Diet on Wednesday he does not intend to sack the minister.

Similar racially controversial remarks by Japanese politicians have previously been made in public on two occasions, one in 1986 by then Prime Minister Yasuhiro Nakasone, and the other in 1988 by influential ruling Liberal Democratic Party official Michio Watanabe.

Kaifu Prepares 'Formal Apology' to U.S. Blacks

OW1710143690 Tokyo KYODO in English 1239 GMT 17 Oct 90

[Text] Tokyo, Oct 17 (KYODO)—Prime Minister Toshiki Kaifu prepared to offer a formal apology to American blacks Wednesday for a racist comment by Justice Minister Seiroku Kajiyama, but rejected an opposition demand to remove him from the cabinet.

The move came as the U.S. Senate prepared for a weekend vote on a resolution urging President George Bush to seek Kajiyama's dismissal and a formal apology from Kaifu. The resolution also calls for a boycott of Japanese products.

Kaifu, in parliamentary debate, dismissed a call by Japan Socialist Party's Manzo Hamamoto to fire Kajiyama, saying he had already rebuked him for the deplorable comment.

Kaifu told the Diet he also plans to launch an initiative to educate Japanese about minorities.

Meanwhile, a government source said Kaifu will soon send a letter of apology to the National Association for

the Advancement of Colored People (NAACP), a prominent civil rights organization. The apology would follow one issued earlier in the day by Kajiyama that was addressed to U.S. Congressional Black Caucus leader Rep. Mervyn Dymally, a Democrat from California.

Both the NAACP and the Black Caucus have filed protests with the Japanese Embassy in Washington over Kajiyama's comment that blacks, like prostitutes, make unseemly neighbors.

Kajiyama made the remark to reporters on September 21 to illustrate his concern over the large number of foreign prostitutes in Tokyo. He immediately withdrew the statement, saying he did not intend to make a racial comment.

The written apologies are being offered nearly one month after Kajiyama made the comment, and government sources here said they are unlikely to quell anger in the U.S., or opposition demands.

Kaifu had earlier apologized verbally in an interview broadcast on U.S. television.

"It appears that this issue will aggravate Japan-U.S. relations," said one Foreign Ministry source.

The demand for Kajiyama's ouster could stall Diet debates over a controversial bill that would allow Japan to dispatch Self-Defense Forces personnel overseas to help enforce United Nations resolutions, political analysts said.

Okinawa Groups Protest Live Shelling Exercises

OW1710110390 Naha RYUKYU SHIMPO in Japanese 16 Oct 90 Evening Edition p 9

[Text] Kin—"Stop Live Shelling Exercises!" "Stop Military Exercises!" On the morning of 16 October, two separate rallies were held by reformist groups in Kin Village to protest the live shelling exercise conducted by the U.S. Marine Corps. Prefectural highway Route 104 was closed as a result of the exercise.

Beginning at 0800 in the morning, approximately 60 people, including labor union members and others, gathered at a height on the outskirts of Igei District, which is in the neighborhood where the exercise was held, to launch a protest action sponsored by the Prefectural Council to Defend the Constitution and to Oppose the Security Treaty and the Japan Council Against Atomic and Hydrogen Bombs. Isamu Yamakawa, vice chairman of the Prefectural Council to Defend the Constitution and to Oppose the Security Treaty, made the following remarks: "It already has been 18 years since the reversion [of Okinawa to Japan]. However, U.S. military exercises are still conducted in various places in Okinawa, both on land and at sea, and the lives of prefectural residents continue to be endangered. Therefore, we must carry on our struggle to establish a peaceful Okinawa which has no military bases nor is the venue of military exercises." Labor union representatives also made remarks expressing solidarity. Following the rally, the participants demonstrated in front of Camp Hansen.

Meanwhile, some 20 people, including labor union members and others, attended a protest action held in front of Camp Hansen's Gate One and jointly sponsored by the United Action Liasion Council to Defend Livelihood and Democracy and the Japan Congress Against Atomic and Hydrogen Bombs. United Action Liaison Council Chairman Masao Miyagi said: "The U.S. forces have enforced their live shelling exercises by closing down the road used by prefectural residents for their livelihood and by overcoming the opposition of the prefecture's residents."

Mayor Visits Tokyo To Appeal for Port's Return

OW1710095390 Naha OKINAWA TIMES in Japanese 17 Oct 90 Morning Edition p 25

[Text] Naha City Mayor Kosei Oyadomari left for Tokyo on the afternoon of 16 October to appeal for an early return of the Naha port facilities (used as a naval port), which has become a pending issue. To appeal for the early return, the mayor is scheduled to call on the dietmen elected from Okinawa Prefecture on 17 October, as well as on the director-general of the Foreign Ministry's North America Affairs Bureau and the Defense Facilities Administrative Agency on 18 October.

Mayor Oyadomari is also scheduled to visit the United States in late November to make a direct appeal for the naval port's early return. Taking this planned appeal action into account, the mayor will use his visit to the capital to advise the concerned agencies and departments about the city government's intention. In the past, the city government appealed to the central government through documents and in other ways for the return of the naval port. And it is not just recently that the responsible person has visited the capital to make direct appeals.

If the current appeal results in some substantial prospects for the return, the city government plans to postpone the mayor's visit to the United States. However, if it proves difficult to obtain such results, the city government will make direct appeals through various channels in the United States as scheduled.

Japan and the United States reached an accord in 1974 on the return of the Naha port facilities provided that the naval port would be moved to another site. However, because of the failure to find an appropriate site to move the naval port, the facilities continue to be used. Of the total area of the facilities, which amounts to 575,000 square meters, 15,000 square meters is owned by the city government while the remaining area belongs to individuals as well as both prefectural and central governments.

Base Employees Protest Against Job Transfers

OW1710100390 Naha OKINAWA TIMES in Japanese 17 Oct 90 Morning Edition p 2

[Text] Okinawa City—The authorities of the Kadena Air Force Garrison Command informed the command's 17 employees hired on the basis of the Master Labor Contract (MLC) on 19 September that they will be transferred to other posts. Regarding this issue, the Air Force chapter of the All-Japan Garrison Forces Labor Union (with Kiyoshi Tamaki as executive committee chairman) held a rally in front of Gate Two of Kadena Air Base on the evening of 16 October to demand the withdrawal of plans to reduce the number of Japanese guards and also to transfer them to other posts. Approximately 150 union members attended the rally and adopted a resolution demanding the complete withdrawal of the transfer orders. At the same time, participants yelled protest slogans.

High Court To Extradite Nicaraguan to U.S.

OW1510153590 Tokyo KYODO in English 1432 GMT 15 Oct 90

[Text] Tokyo, Oct 15 (KYODO)—The Tokyo High Court decided on Monday to hand over a former Nicaraguan diplomat to the United States on suspicion of smuggling heroin into that country by making use of his diplomatic immunity. William Tapia, 47, a former senior counselor at the Nicaraguan Embassy in Tokyo, will be handed over to U.S. authorities on the basis of a Japan-U.S. extradition treaty.

Presiding Judge Joichi Ishida ruled the court had sufficient evidence to suspect Tapia of having smuggled more than two kilograms of substances containing heroin into the United States from Thailand in 1987.

Tapia has maintained his innocence since he was detained by the Tokyo High Prosecutor's Office on July 17. The former Nicaraguan diplomat was quoted as saying that he did not know heroin was contained in the substance.

U.S. 'Demands' Further Opening of Trade Market

OW1710101590 Tokyo KYODO in English 0833 GMT 17 Oct 90

[Text] Boston, Oct 17 (KYODO)—Senior officials from Japan and the United States ended a follow-up meeting to Japan-U.S. bilateral trade talks Tuesday, after the U.S. side came up with new demands for Japan to further open its market. The two-day meeting was the first since the two countries concluded in June the so-called Structural Impediments Initiative (SII) talks designed to redress barriers to trade and investment.

Besides calling for fulfillment by Japan on its pledge to increase its public works investment, U.S. negotiators tabled new demands aimed at addressing Japan's closely-knit business groupings, which Washington charges serve as a nontariff barrier to foreigners.

These demands included expansion of shareholders' rights and enhanced access to business information.

Specific matters, such as foreign participation in the Kansai International Airport project, which the Japanese team had expected to be raised, failed to attract much attention at the meeting. Government sources said, however, the U.S. is expected to step up pressures on Japan to boost efforts on these issues as well at the second follow-up meeting, slated for January or February next year.

Commenting on the talks, a Japanese Foreign Ministry official said, "the meeting was a virtual continuation of the SII." Japan had rejected discussions at the follow-up meeting of any problems other than the disputes addressed at the SII.

Expressing satisfaction, Linn Williams, deputy U.S. Trade Representative, billed the negotiations "constructive." Along with Williams, Richard McCormack, undersecretary of state for economic and agricultural affairs, and Charles Dallara, assistant treasury secretary for international affairs, attended the meeting.

The Japanese negotiators included Koji Watanabe, deputy foreign minister for economic affairs, Makoto Utsumi, vice finance minister for international affairs, and Naomichi Suzuki, vice minister for international affairs of the Ministry of International Trade and Industry (MITI).

GATT Services Agreement Said Unlikely in Dec

OW1610161490 Tokyo KYODO in English 0814 GMT 16 Oct 90

[Text] Tokyo, Oct. 16 (KYODO)—The participants in the ongoing Uruguay Round of multilateral trade talks are unlikely to produce any final agreement on new trade rules over services due to remaining differences among major countries over details, a government source said.

The U.S., the European Community, and Japan are still split over details such as whether financial services and the shipping business should also be covered by the new rules.

The source, within the Foreign Ministry, said they are unlikely to strike a deal on these fine points by the December deadline for the talks.

The final GATT accord on the services trade is expected to result in a three-tier set of regulations consisting of basic rules, supplementary provisions, and statements by the signatories outlining the extent to which they commit themselves to the new regulations.

The chances are slim for the member countries to reach an agreement on all of these aspects during the scheduled Brussels meeting in December, the source said. They will

only be able to agree on the basic rules, and the remaining detail will be left to further negotiations next year, he said.

But an official of the Ministry of International Trade and Industry (MITI) remained optimistic about the possibility of a final pact on services in December. "I think it is a fair bet that there will be a deal in Brussels over the services trade," the official said.

"Anyway, there will be no agreement on the basic rules without all major countries agreeing over such issues as the scope of the new rules."

Plans To Abolish Many Import Tariffs Revealed

OW1710024790 Tokyo KYODO in English 0206 GMT 17 Oct 90

[Text] Tokyo, Oct. 17 KYODO—Japan plans to expand the scope of import items on which it will abolish tariffs to roughly 3,200 from 3,152 as proposed earlier, in a step aimed at bringing international trade talks to a successful conclusion, government sources said Wednesday.

The sources said the Government will present the tariff-eliminating plan the same day to trade negotiators working in Geneva on new tariff rules as part of four-year trade talks being held under the auspices of the General Agreement on Tariffs and Trade.

The world trade talks, known as the Uruguay Round, are designed to overhaul international trade rules to achieve a freer flow of goods and services. The round of talks is slated to end in December in Brussels.

The latest measure will cover nearly half of the mining and manufacturing items in Japan, reducing the average tariff rate on such items to one of the lowest levels in the world, the sources said.

International Trade and Industry Minister Kabun Muto offered to abolish tariffs on 3,152 items during talks last week in St. John's, Canada, with his counterparts from the United States, Canada, and the European Community.

Bank Federation Chief 'Positive' on China Loans

OW1610160990 Tokyo KYODO in English 0854 GMT 16 Oct 90

[Text] Tokyo, Oct. 16 (KYODO)—Japan's leading banker expressed a positive stance Tuesday about new loans to China, frozen since the military crackdown on pro-democracy demonstrators in Beijing in June last year.

"The time is ripe for Japan to consider new loans that will contribute to the development of the Chinese economy," Taizo Hashida, chairman of the Federation of Bankers Associations of Japan, told a press conference.

Though Japan reopened in July a package of 810 billion yen in loans promised to China for 1990-95, new loans remain on hold.

Hashida, also president of Fuji Bank Ltd., said the federation will send a mission to China from November 6 in preparation for possible resumption of new lending.

The 10-day mission, the 15th to China dispatched by the federation, is scheduled to visit Beijing, Shanghai, and other major cities to discuss economic and financial matters with senior Chinese officials, he said.

Commenting on the loan scandal involving Sumitomo Bank Ltd., Hashida called on bankers to refrain from speculative lending related to land and stock transactions and to step up supervision concerning questionable loans. "Nothing is more important for banks than the trust of the public. I want to ask the banking industry to boost efforts to hold it up," he said.

In view of growing criticism of banks, accelerated by the Sumitomo Bank affair, the federation has canceled the airing of a television commercial film it had sponsored, Hashida said.

Concerning a review of land taxation now under deliberation in the government, Hashida said the proposed tax rate of 1 percent per annum seems too high, because it would probably put upward pressure on prices.

List of Koreans in Japan During War Said Found

OW1610071790 Tokyo KYODO in English 0628 GMT 16 Oct 90

[Text] Tokyo, Oct. 16 KYODO—A list of 12,000 names of Koreans, most of whom were believed to have been brought to wartime Japan for forced labor, was found in the National Diet Library, sources said Tuesday.

The list of names of Koreans who worked at the Mitsui Miike Coal Mine in Fukuoka Prefecture, southern Japan, was discovered by researchers from the General Association of Korean Residents in Japan among the publicly available papers of the Allied Forces General Headquarters.

The microfilmed list covered the period from 1943 until September 1945, one month after Japan's surrender in World War II.

Japan colonized the Korean peninsula from 1910 until 1945. According to a survey in the United States, the number of Korean forced laborers in Japan was estimated at about 700,000, while other studies claim the figure exceeded 1 million.

The Japanese Government announced in August that it had found lists naming 79,000 Koreans forced to labor in Japan.

U.S Urged To Improve Relations With Laos

OW1710101490 Tokyo KYODO in English 0842 GMT 17 Oct 90

[Text] Tokyo, Oct 17 (KYODO)—Japan has been encouraging the United States to broaden its relations

with Laos by upgrading diplomatic ties and offering economic assistance to the Indochinese country, Foreign Ministry officials said Wednesday.

"We think it would be useful for the U.S. to show more interest (in Laos)," said one official, speaking on condition of anonymity. "Although Laos is not an important player in the Cambodian peace process, we think it would be a good thing for the development of the whole region," the official explained.

Another senior official, noting that Japan has been expanding its political ties with Laos and extending economic assistance, said, "We have asked the Americans, 'why don't you join us?'"

But the officials lamented that the response from the U.S. State Department so far has not been as positive as Japan had hoped. "They have not shown a particular interest in pursuing bilateral relations with Laos," said one of the officials, noting that the U.S. maintains a diplomatic presence in Vientiane at only the charge d'affaires level.

But the official welcomed as "significant" the unprecedented meeting between U.S. Secretary of State James Baker and Laotian Foreign Minister Siphandon Khamtai [name and title as received] late last month at the United Nations General Assembly in New York.

U.S. policy toward Laos, he noted, "is still more or less controlled by their interest in the drug problem" and the issue of some 550 U.S. soldiers listed as missing in action in Laos since the end of the Vietnam War in 1975.

While the U.S. has been asserting that the Laotian Government is not entirely serious about stopping drug production in the golden triangle area, "it's a fact that the Laotian Government is trying more seriously than before," the official said.

Restrictions Lifted for South African Scientists

OW1710111890 Tokyo KYODO in English 0946 GMT 17 Oct 90

[Text] Tokyo, Oct 17 (KYODO)—The Foreign Ministry has lifted restrictions on visa applications from South African scientists in response to a demand from the Science Council of Japan, a chairman of the organization said Wednesday.

Jiro Kondo told the general meeting of the council held in Tokyo that the ministry took measures on October 1 to scrap the visa restrictions imposed on South African scientists hoping to visit Japan for academic purposes. The ministry called on the scientists from South Africa to sign special forms declaring they are not racists when they apply for Japanese visas.

The council had asked the ministry to lift the visa restrictions on South Africans because they block free exchanges of scientists and international conferences in Japan.

An official of the ministry's Middle East and African Affairs Bureau said, "Japan's position against the South African segregation policy of apartheid has not changed, but we do not want to disturb the exchanges of researchers."

Anti-Inflation Policy Said Vital for Economy

OW1510084790 Tokyo KYODO in English 0700 GMT 15 Oct 90

[Text] Tokyo, Oct. 15 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno indicated Monday the central bank will maintain its tight grip on credit to stave off "home-made" inflation from rising oil prices in the wake of Iraq's invasion and annexation of Kuwait. "The crisis in the Middle East will hardly erode Japanese economic health as long as home-made inflation from rising import prices is kept under control," Mieno told a luncheon sponsored by the Japan National Press Club.

Terming the Gulf turmoil a "matter of the greatest concern at present," Mieno said the crisis is casting a long shadow on economies worldwide by destabilizing prices.

However, its impact on Japan's economy has been and will be relatively soft, with domestic prices basically stable thanks to a higher yen, the nation's energy-saving efforts and the favorable effect of the round of hikes in the official discount rate since May last year, Mieno said.

The BOJ chief also said that given the heavy weight of Japan in the world economy, Japan should remain the price anchor and contribute to the stability of prices overseas, he said.

On the yen's rapid advance against the U.S. dollar, Mieno said the stronger yen is "desirable to rectify Japan's external imbalance."

Proliferating pessimism about the U.S. economy and anticipation of credit relaxation there have accelerated yen-buying, dollar-selling moves in recent sessions, propelling the yen to the highest level in 19 months at the close of Tokyo currency dealings on Monday.

While cautioning that the current rise of the yen is too rapid, Mieno dispelled fears of a crash of the dollar, saying the market perceives that U.S. moves to cut its budget deficit, the Federal Reserve Board's anti-inflationary stance, and the Gulf crisis will all help buttress the U.S. currency.

Asked about flagging Tokyo stock prices, Mieno said higher rates and uncertainties over the Persian Gulf crisis are the main reasons for the bearish mood.

Mieno said, however, he sees it as inevitable that the accelerating "bubble effect" during the past several years of historically low interest rates, until last year, should be corrected to a certain extent. Mieno also said the higher rates will eventually push down Japan's absurdly high land prices. "I believe the rate hikes will put a heavy brake on land prices," he said.

But he ruled out the possibility of a dramatic plunge in land prices, saying that the current land price inflation is the result of not only speculation but also strong and real demand. "I welcome a gradual decline in land prices," he said.

Mieno also predicted that fragile stocks and high rates will dampen capital spending by Japanese businesses, especially by small to medium-size companies, the non-manufacturing sector, and housing industries. But he said the impact would be slow to surface due to the necessity of investment amid the labor shortage.

Commenting on the loan scandal involving Japan's most profitable bank, Sumitomo Bank Ltd., Mieno said the case reflects the declining morals among bankers and called for sounder management in the banking industry. But he said the affair is unlikely to deal a fatal blow either to Sumitomo or the banking system as a whole.

Central Bank Official Warns About Dollar Fall

OW1710032990 Tokyo KYODO in English 0306 GMT 17 Oct 90

[Text] Tokyo, Oct. 17 KYODO—A Bank of Japan (BOJ) source cautioned Wednesday against an excessive decline of the dollar against the yen and urged policy coordination among major industrial nations to prevent the U.S. currency from going into a tailspin. But the source, who requested anonymity, did not comment on whether the current yen-dollar rate is undesirable or not.

"We must take into consideration policy coordination pledged by finance ministers and central bank governors of the Group of Seven (G-7) nations," the source said.

The G-7 consists of Japan, the United States, Germany, Britain, France, Canada, and Italy.

"It's troublesome for Japan to leave the yen excessively high to cushion inflationary pressures from higher oil prices when the United States is grappling with the Gulf crisis and an economic slowdown," the source said. But he added that it is difficult to imagine the dollar falling into a tailspin at present.

Following its overnight dive in New York, the dollar lost ground in Tokyo on Wednesday morning to open at 125.93 yen, the lowest in 20 months, down 2.12 yen from Tuesday's close.

Finance Ministry Reports Trade Surplus Decline

OW1510132590 Tokyo KYODO in English 0659 GMT 15 Oct 90

[Text] Tokyo, Oct. 15 KYODO—Japan had a 6,903 million dollar trade surplus in September, down 3.9 percent from a year before, the Finance Ministry said Monday.

Exports rose 6.1 percent from September 1989 to 25,795 million dollars, but higher crude oil prices helped boost imports faster—by 10.3 percent to 18,892 million dollars. Crude oil imports soared 48.7 percent in value over a year earlier.

Japan posted a 4,314 million dollar surplus with the United States, down 9.7 percent from a year before.

Japan's trade surplus for the April-September period, the first half of fiscal 1990, fell 11.4 percent from a year earlier to 29,099 million dollars.

Employees of Foreign Firms Work Fewer Hours

OW1610144490 Tokyo KYODO in English 1354 GMT 16 Oct 90

[Text] Tokyo, Oct. 16 KYODO—Employees at foreign-affiliated companies in Japan are much more likely to have weekends completely off and to take all their paid vacation time than those at Japanese-owned firms, according to a survey released Tuesday.

The five-day work week has been fully adopted at 85.5 percent of foreign-owned firms, compared with only 9.6 percent of Japanese companies, the Japan Productivity Center found in the survey, conducted in March.

At a Japanese subsidiary of the world's top-ranking comprehensive chemical maker, 87.4 percent of all employees used up their annual paid holidays, compared to the Japanese average of 51.5 percent.

Officials in charge of labor affairs at foreign companies told the center they are encouraging employees to take days off. Many of the companies feel it is the responsibility of senior staff to make sure their younger colleagues use their vacation time, the center said.

At the Japanese subsidiary of a major foreign oil company, executives entrust their subordinates with their jobs when they go on vacation and keep any complaints about the results to themselves, the center said. This not only lets the executives have time off, it gives other employees a chance to develop their abilities, it said.

Many foreign-capitalized firms allow paid sick leave, the center noted.

However, even if employees at foreign companies have more time off, they work hard while they are on the job, the center noted.

The center, which promotes business efficiency, sent questionnaires to 2,525 companies with foreign capital of over 50 percent, of which 502 companies responded.

MITI Reports Industrial Production Rise

OW1710063890 Tokyo KYODO in English 0559 GMT 17 Oct 90

[Text] Tokyo, Oct. 17 KYODO—Japan's industrial production in August rose 5.5 percent from a year earlier, unchanged from the figure in a preliminary report

released in September, the Ministry of International Trade and Industry (MITI) reported Wednesday.

The August production at factories and mines was 0.3 percent higher than the July level, MITI said. Especially large increases were posted in such sectors as transport machinery and oil products, while declines occurred in nontransport machinery and electronics products.

The production index for the month stood at 127.4.

Shipments in August also gained a healthy 5.7 percent from the year-earlier level, and 0.5 percent from the previous month, with the shipment index being 128.7. The ministry put the year-on-year rise in August shipments at 5.8 percent, and the month-on-month gain at 0.6 percent in the preliminary report.

Inventories declined 0.7 percent, rather than by 0.8 percent as in the former report, from the same month last year. The inventory index for August was 108.2, up 0.7 percent from July.

Economic Delegation Visits Bucharest

WA1610183790

For Romanian reportage on the visit by the Japan Federation of Economic Organizations, led by director-general Masaya Miyoshi, to Romania, including reports on their talks with Romanian President Ion Iliescu and Prime Minister Petre Roman, please see the Romania section of the 17 October East Europe DAILY REPORT and subsequent issues.

Mongolia

G. Ochirbat Receives Visiting Moscow Delegation

OW1410105290 Ulaanbaatar International Service in English 0910 GMT 13 Oct 90

[Text] Chairman of the ruling Mongolian People's Revolutionary Party Central Committee Gombojabyn Ochirbat has received the visiting Moscow city party delegation. The sides informed each other of the renewal processes in the both countries and exchanged views on the prospects of the inter-party relations.

At a press conference organized for Mongolian and foreign journalists, head of the delegation Prokofyev highly spoke of his meeting with Mongolian ruling party leader Gombojabyn Ochirbat. He said that this visit will serve further development of not only inter-party relations, but serve the Mongol-Soviet cooperation and friendship as a whole.

Foreign Organizations Propose Cooperation

OW1410130790 Ulaanbaatar International Service in English 0910 GMT 13 Oct 90

[Text] It is only seven and one-half months since the law on foreign investment was adopted in Mongolia. Over the past period many firms and organizations of South Korea, Britain, the U.S.A., Japan, China, the Soviet Union, Sweden, Finland, Hong Kong, and Singapore have proposed their cooperation. The bulk of them concern the creation of joint ventures.

Recently, there was signed an agreement on the creation of a joint Mongol-American wool industry. An agreement was signed with China on the construction of a new hotel (Mandsai), as well as a film industry. The South Korean Samsung firm has proposed its cooperation in the construction of a syringe and needles producing enterprise.

Cuba, USSR Fail To Supply Adequate Sugar

OW1410133190 Ulaanbaatar International Service in English 0910 GMT 11 Oct 90

[Text] The Ulaanbaatar food stores are out of sugar. According to the Ulaanbaatar Trade Amalgamation, the main suppliers of sugar—Cuba and the Soviet Union—have undersupplied a certain amount of this product to Mongolia this year. But this circumstance must not have influenced on sugar supply to the population, for the stored sugar would have been sufficient.

The reasons for sugar shortage are: intensive work of the growing number of cooperatives which buy up batches of sugar from food stores; then, complications connected with the delivery of sugar to food stores. And the other reason is that there has been floated a rumor about the forthcoming dearth of sugar, and the population, who has got accustomed to posting deficit, has stored as much sugar as possible.

Trade Union Paper Interviews New Labor Minister

OW1110143290 Ulaanbaatar International Service in English 0910 GMT 11 Oct 90

[Text] The Mongolian trade union newspaper HODOLMOR, LABOR, published an interview with newly appointed Minister of Labor (Badamhand). He says that the ministry will deal with problems of job placement and social insurance of the population. The minister underlines the importance of developing different branches of production and service, particularly small-type enterprises, for solving the problem of unemployment in Mongolia. The ministry is intended to provide guaranteed subsistence wage, normal living standard, and prevent from increase of prices of consumer goods, says the minister.

Cabinet Discusses Defense Ministry's Structure

OW0810110490 Ulaanbaatar International Service in English 0910 GMT 8 Oct 90

[Text] The Cabinet of Ministers has discussed an issue of management and organizational structure of the Defense Ministry of Mongolia. It has been approved that the ministry be managed by the minister and four deputies and be consisted of the headquarters of the Armed

Forces, the board on political education, the board of rear services, the central staff of civil defense, and other corresponding departments and services.

Government Starts Presidential Press Service

OW0710091290 Ulaanbaatar International Service in English 0910 GMT 5 Oct 90

[Text] The Presidential Press Service started functioning at the Mongolian Government. It is engaged in rendering information about the president's activities, the state policy, making official information on behalf of the president, and maintaining ties with local and foreign mass media. The press service is headed by (Surendorjiyn Baldar), prominent Mongolian journalist and subeditor of the government newspaper ARDYN ERH.

Free Labor Party Reorganizes Leading Body

OW1410125390 Ulaanbaatar International Service in English 0910 GMT 13 Oct 90

[Text] The Free Labor Party of Mongolia made some organizational changes in its leading body and reconsidered its political line. Mr. (Dul) was elected head of the party's General Political Council and chairman of the party Central Committee. The new leader of the Free Labor Party defined his party as a nonparliamentary having two basic goals. Firstly, it will work for privatization of the state property and further adoption of government measures on freeing newly set up cooperatives from taxes as the first task.

North Korea

North-South High-Level Talks Begin in Pyongyang

SK1710013790 Pyongyang Domestic Service in Korean 0100 GMT 17 Sep 90

[Text] The first-day meeting of the second North-South High-Level Talks is being held at the People's Palace of Culture in Pyongyang amid all the fellow countrymen's great concern and expectations.

At 1000, Yon Hyong-muk, premier of the Administration Council of the DPRK and head of the North side's delegation to the North-South High-Level Talks; delegate Kwang-chin, general of the Korean People's Army [KPA]; delegate An Pyong-su, director of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland and spokesman for our side's delegation; delegate Paek Nam-chun, chief of the Councillors' Office of the Administration Council; delegate Kim Chong-u, vice-minister of external economic affairs; delegate Choe U-chin, ambassador at large of the Foreign Ministry; delegate Kim Yong-chol, major general of the KPA; and suite members came to the place where the talks are held. Also, senior delegate Kang Yong-hun and other members of the South side's delegation and suite members came to the place where the talks are held. Our side's delegates and the South side's delegates greeted each other.

Numerous reporters from the North and South and abroad were present to cover the talks.

Further Details on Talks

SK1710044290 Pyongyang KCNA in English 0429 GMT 17 Oct 90

[Text] Pyongyang October 17 (KCNA)—The first-day session of the second inter-Korean high-level talks opened at the People's Palace of Culture today.

At 10:00 head of the North side's delegation to the talks Yon Hyong-muk, premier of the DPRK Administration Council, and delegates and suite members entered the conference hall.

Chief delegate Kang Yong-hun and other delegates of the South side and the suite also came in.

Many reporters of the North and the South and foreign reporters were present there to cover the talks.

The session today will resume the discussion of the agenda "on removing the political and military confrontation and realizing multi-faceted cooperation and exchange between the North and the South" following the first talks in Seoul in September.

Premier Yon Hyong-muk is making a keynote speech at the moment.

Premier Gives Party for South

SK1610234790 Pyongyang KCNA in English 2243 GMT 16 Oct 90

[Text] Pyongyang October 16 (KCNA)—Premier of the DPRK Administration Council Yon Hyong-muk gave a party at the People's Palace of Culture this evening for the delegation of the South side to the second round of inter-Korean High-Level talks.

Invited to the party were the members of the South side's delegation headed by chief delegate Kang Yong-hun, the suite and journalists of the South side.

Present at the party were the members of the North side's delegation to the inter-Korean high-level talks—General Kim Kwang-chin of the Korean People's Army, Director of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland An Pyong-su who is the spokesman of the North side's delegation, chief of the Councillors Office of the Administration Council Paek Nam-chun, Vice-minister of External Economic Affairs Kim Chong-u, roving ambassador of the Foreign Ministry Choe U-chin and major general of the KPA Kim Yong-chol.

In his speech, Yon Hyong-muk said:

It is only 40 days or more since our first meeting in Seoul early September. But we have been witnessing and experiencing stirring events previously unknown in the 45 years of division such as the joint cheering at the 11th Asian Games in Beijing, the reunification soccer game at

the May Day Stadium in Pyongyang, the reunification concert to be held in Pyongyang with the participation of musicians from the North, the South and overseas and the reunification soccer games scheduled in Seoul.

These exciting events, the first of their kind since the division of the country and the nation, are a vivid historic canvas making us keenly feel once again that our country is one and so is our nation and clearly showing that there is no wall in the minds of our fellow countrymen.

However, there is a different scene before us.

When fellow countrymen of the North and the South are jumping about in each other's arms in Pyongyang, young people of the same blood are levelling guns at each other on each side of the cursed military demarcation line.

The high wall bisecting the country at its waist, hundreds of thousands of troops standing in confrontation with each other and countless pillboxes and the growing military tensions between the North and the South represent another undeniable hard reality, which offers a glaring contrast with the scene of Pyongyang which is in a festive atmosphere with the reunion of fellow countrymen and is seething with songs and dances of reunification.

This grave situation constantly fraught with the danger of war should not be allowed to spoil the atmosphere of reconciliation, unity and reunification prevailing in Pyongyang and throughout the 3,000-ri land of Korea.

It is high time that a correct option was made with the restoration of lucid national conscience between war and peace and between confrontation and unity, and the wheel of history was turned in a right direction at this crossroads.

We must relax the tension and ease the situation, prevent war and achieve peace, remove confrontation and achieve unity and reunification.

To this end, the present acute political and military confrontation must be removed as soon as possible.

Only by removing the confrontation, easing the tension, dispelling the danger of war and providing a guarantee for peace, can we delegates to the high-level talks discharge our mission and truly serve for the country with pride and honor.

Considering that if the delegates of the two sides approach the second round of inter-Korean high-level talks from this attitude, the sides will have nothing impossible to agree upon, I express the hope and belief that the forthcoming talks will bear good results.

Kang Yong-hun spoke next.

Noting that the attention of the entire fellow countrymen is focused on Pyongyang, the venue of the high-level talks where the premiers of the North and the South meet for a second time, he said that efforts should be made for a main agreement at the talks this time.

'Text' of Yon Hyong-muk's Speech

SK1710053690 Pyongyang KCNA in English 0451 GMT 17 Oct 90

[Text] Pyongyang October 17 (KCNA)—The first-day session of the second North-South high-level talks was held in Pyongyang on October 17.

Head of the North side's delegation to the North-South High-Level Talks Yon Hyong-muk, premier of the Administration Council of the Democratic People's Republic of Korea, delivered a keynote speech at the session.

Following is the full text of his speech:

In the wake of the first session, we are resuming our discussion about the agenda of the talks "on removing the political and military confrontation and realizing multifaceted cooperation and exchange between the North and the South".

At the first session, both sides put forward their views and proposals and, on this basis, exchanged the views in this regard.

After the meeting, we seriously examined your proposals. We think that your side also fully examined our proposals.

Therefore, in the current talks we will continue to discuss the proposals presented by both sides. We should strive to bring both side's views closer and reach the maximum possible agreement.

So far as the proposals advanced at the first session by the two sides are concerned, the points are similar or different.

As for the similar points;

Firstly, we should try to reach an agreement with regard to the problem of principle which will serve as the common basis, starting point before going into discussing the basic problem associated with the agenda item.

The three principles to be observed at the talks which we had put forward and the "draft basic agreement for the improvement of relations between the South and North" presented by your side are essentially different in their composition and contents. But both sides are of the same opinion on the point that the common basis should be provided before the discussion of the basic problem.

If we proceed from such common understanding we think that we are able to work out a progressive and practicable agreement, taking the proposals of both sides into consideration.

Secondly, the proposals envisaged at the agenda items are mainly divided into the three problems, that is, political and military affairs and multifaceted cooperation and exchange.

Of course, each proposal is different in many respects. But, in view of the similarity of the division of proposals, we think, there will be no difficulties in the fixation of the basic items by the sides according to the agenda.

Thirdly, the similar points are to be found in some items of each proposal.

These include the problem of discontinuing vilification and slander, the problem of informing each other of military exercises, the problem of establishing direct telephone links between the military authorities, the problem of turning the demilitarized zone into a peace zone and the problem of realizing cooperation and exchange.

Such similar items are just one small part of many items which were proposed. At any rate, it is fortunate, we think, that they will reduce the mutual burdens at the forthcoming talks.

There are similar points in the proposals of both sides mentioned above. At the same time, there are also essentially different points which need serious discussions.

The main points are as follows:

Firstly, it is the problem of the order of priority with regard to the solution.

Namely, we give priority to the problem of eliminating the political and military confrontation, while, at the same time, proposing to effect multi-faceted cooperation and exchange. On the contrary, your side, while giving priority to cooperation and exchange, proposes the disarmament problem as the secondary task.

Secondly, it is the problem associated with the establishment of states in the solution of military problems.

We regard the solution of military problems as a unified process. But your side regards military confidence-building and disarmament as different stages.

Thirdly, the point of difference is related to the withdrawal of the U.S. troops and their nuclear weapons.

Namely, we consider that this problem is an indispensable factor in removing the confrontation between the North and the South, but your side does not envisage any measure in connection with this affair.

Fourthly, the point of difference is that the proposals of both sides are closely akin to each other partially but are of different character on the whole.

Frankly speaking, our proposal is entirely orientated towards reunification, but your proposal fails to rid itself of the pattern of the past in large measure, that is, the maintenance of the status quo.

It is not today that these differences have come into being. These remain disputed points since the North-South dialogue in the 1970s.

Today we are confronted with the historic task to settle the problems which remain unsolved for nearly 20 years.

If we fail to solve this problem, we can hardly expect any progress in the settlement of the national reunification problem and our high-level talks will also take the road similar to the dialogue of the past when it was suspended while discussing a series of irrelevant matters.

Therefore, I think that the concern and efforts of the delegations of both sides should be focussed, above all, on overcoming basic differences. Now I am going to outline our views in this regard.

What is important in overcoming the points of difference of the two sides is:

Firstly, it is to establish identity out and out in the solution of the reunification problem.

We are discussing the reunification problem of our nation and our country, not the reunification issue of any other nation and country.

Accordingly, we should base ourselves on the demand and interests of our nation and the actual situation of our country in the settlement of the reunification problem and make efforts to find a solution suited to the realistic conditions of our country.

There is no ready-made formula for the settlement of the reunification problem of a divided nation. Although there is some experience gained in other countries but it cannot serve as a solution suited to our country.

We can refer to the experience accumulated in other countries. But if we swallow it up without chewing it, we impair our digestion.

Viewed in this light, either to apply the general schemata of the development of the relations between states to the question of our national reunification, an internal affair of the nation, regarding it as a question of relations between two states or to imitate the West European-style "confidence-building formula" and the process of "unification of East and West Germany" is very unrealistic, and this would only result in prolonging the national division, far from resolving the question of our national reunification.

Losing identity and cajoled by outside forces for nearly one century, we have suffered unprecedented tribulation of national ruin and division since the beginning of the 20th century. Therefore, we should not be caught by such erroneous thought any longer.

We should use our own brain and pave the way of our nation with our own wisdom and efforts.

If both the North and the South work to solve the question of national reunification independently and

creatively from the stand of independence, we will be able to find a reasonable proposal suitable to the actual conditions of our country.

Secondly, what is important in surmounting the difference in our proposals is that both sides should adopt a stance orientated towards reunification.

Whether we desire reunification or try to continue division is a matter of fundamental significance for us who are holding dialogue for reunification.

We cannot reach an agreement on any question related to reunification as long as there is the least difference between us in this affair.

From this point of view, I express my agreement to the emphasis made by your side in its keynote speech at the first round of the talks, namely, the North and the South "should express their will for peaceful reunification and agreement on the matter."

But, our will and stance for reunification cannot be confirmed by empty words. It must be specifically expressed in our proposals.

When the proposals of the two sides are examined from this angle, it is easy to find, regrettably, that many of the differences emanate from the vagueness of the will of reunification.

We are constrained to make a particular mention here of the partitionist stance which is expressed in various terms such as "recognition of the entity," "recognition of systems" and "recognition of realities."

We do not reject the entity of different powers and the existence of different social systems in the North and the South nor deny the realities of Korea divided into North and South.

There is nothing ambiguous in this regard since our dialogue with your side does not mean a talk with an image.

But you propose that the two sides confirm this self-evident matter even through a document, at this place for reunification, as if it were a new problem. What is the use of it? And we wonder whether such confirmation could ever help towards the reunification of the country.

That is aimed at confirming the existence of "two Koreas" in the North and the South. It is a graphic expression of the partitionist stance to freeze "two Koreas" through agreement between the two sides.

Judging from your statement that your side regards the objective of the North-South High-Level Talks as establishing a "system of peaceful co-existence" on the basis of "recognition of the entity," it is obvious that your proposals are intended to maintain the present state of division, not to achieve reunification.

As a matter of fact, the proposals of your side contain quite a few concepts and provisions proceeding from the idea of "two Koreas" with which all your proposals including the "proposal for basic agreement on the improvement of South-North relations" are run through, and none of your proposals are outside the framework of the "status quo".

The realities of Korea are abnormal and tragic, indeed, from the national point of view.

To correct this wrong situation and advance towards reunification is precisely what our fellow countrymen wish and what both our delegations must do.

Therefore, we should not try to recognize and fix "two Koreas" but should strive to achieve one, reunified Korea.

We are convinced that here lies the key to overcoming the fundamental differences between the two sides.

Thirdly, what is important for us is to have a common understanding of the distrust between North and South and find the right solution. As we pointed out during the first session of the talks, mutual distrust is the greatest internal factor that has obstructed the settlement of the question of our country's reunification.

It is because of the distrust that North and South are still unable to open their hearts to each other. It is because of the distrust that they have failed to come close to each other, still guarding against each other.

If we are to joint hands sincerely in the endeavour to reunify the country, we must first remove this distrust.

At present both North and South recognize the necessity to remove the distrust, but there exist big differences as to the solution of the matter. In other words, our side sees the way to alleviate the distrust in the removal of the political and military confrontation, whereas your side sees it in the "solution of humanitarian work" and "exchange".

In this context, we consider that it is necessary correctly to undertstand the source of mutual distrust first of all.

The deep-rooted distrust between North and South has emanated also from the past unsavory North-South relationship and it has been intensified by its severance. But it is due mainly to the political and military confrontation that has lasted too long historically.

If each side has no fear that the other side will try to conquer it either politically and militarily, and if there factually does not exist the acute hostile confrontation between the two sides, this thick wall of distrust would not have been built up.

In the light of this fact, if the distrust is to be removed, it is of utmost necessity to eliminate the political and military confrontation which is the very source of it and to cause no threat whatsoever to the other side. But, if it is claimed that the distrust can be overcome only through "humanitarian work" or "exchange", it means

avoiding to remove the root cause, instead of looking straight into the crux of the matter. This cannot be considered the posture to dissolve the distrust on good faith.

The distrust between North and South did not emerge for the lack of "humanitarian work" or "exchange", and therefore, even if it is realized, the distrust will not lessen greatly.

If the political and military confrontation is left as it is, and moreover, the sharp tensions and threat of war caused by it is left intact, the distrust will remain even if aged parents more than 60 years old visit their homes and the travelling of people and the exchange of goods materialize, and neither the humanitarian work nor exchange itself can go on continually on a stable basis

The "humanitarian work" or "exchange" that will be short-lived in the long run might fascinate people for the time being, but if the situation worsens and it is interrupted, it would cause them discouragement and frustration.

Why should we waste time by fooling people with such a momentary stimulant?

It is our consistent attitude to solve humanitarian problems. This attitude is made clear in our proposals for many-sided cooperation and exchange between North and South. But the real way to solve humanitarian work lies in eliminating the political and military confrontation and bringing about a lasting peace to the country.

We should not attempt to soothe the earnest desires of the separated compatriots with make-shift measures such as "great national exchange" or "home-visiting by aged parents over 60" but should remove the political and military confrontation, thereby eliminating the root-cause of mutual distrust and also solving humanitarian problems as well as problems of cooperation and exchange positively and thoroughly.

We shall all along attach an essential and primary importance to eliminating the political and military confrontation, and shall adhere to the principle of promoting the solution of humanitarian problems and mutual cooperation and exchange, commensurate with the settlement of the above problem. In our opinion, when we hold fast to this principle, the unanimity of views will be reached on the question of removing the distrust which has long been a controversy between the two sides.

Fourthly, it is important to seek the shortest and most reasonable way to the settlement of the reunification question.

We are raising this question because the differences between the proposals of the two sides originate mainly from the differences of their reunification proposals and reflect these differences.

According to our analysis, it is clear that all the proposals of your side are geared to the realization of your "Korean national community unification formula" that envisages the reunification under a single system.

But the proposal of reunification under a single system contains two fundamental problems.

One is reunification by means of war, which, of course, both we and your side oppose and which is intolerable to the nation.

The other means of reunification under a single system is to eradicate the system of the other side by peaceful means. As for this method, whether it takes the formula of general elections or any other formula, it is impossible even to expect its realization in the light of our country's situation, nor is it realizable.

In dealing with approaches to the reunification, your side proposes to begin with easy ones, possible ones, while trying to put off the solution of essential problems, delay it by setting various stages, and even establish a "South-North commonwealth" instead of a unified state, in an attempt to prolong the coexistence of "two states" indefinitely. All this is based on the "Korean national community unification formula", which is a proposal of reunification under a single system.

For whatever reasons, we are not allowed to delay the solution of the reunification question.

We must not arbitrarily decide which is easy and which is difficult and evade the solution of urgent problems, nor must we arbitrarily separate interrelated matters and set stages to prolong the solution of problems.

Therefore, we must choose not the way to reunification under a single system that presupposes the eradication of the other side, but the way to achieve reunification as one state and one nation by retaining the two systems and two regional governments as they are.

We are convinced that it is the very way to solve the country's reunification problem most quickly and most reasonably, in favour of both the North and the South; we consider that only when both the North and the South choose this way, will a breakthrough be made in removing the differences of the proposals of the two sides.

I have so far expressed my views on some measures for overcoming major differences by making comparison of the two sides' proposals.

The success of the high-level talks depends on the adjustment and elimination of these differences. We should not hand this long-pending task over to others; it must be solved by the sincere efforts of us two delegations.

I expect that proceeding from such desire your side will pay deep attention to our views and respond with an affirmative attitude.

We think that at this second round of talks we must make an agreement on some questions which we had discussed and left for further consideration. We also think that we have to discuss preliminary questions before entering the debate of basis problems.

One of the matters we have to continue to discuss concerns the agreement we should reach on our common foundation, that is, our starting-point.

In this regard, our side had already set out the three principles to be observed in the whole course of the talks, one of which is reaffirming the three principles of national reunification—independence, peaceful reunification and great national unity. And your side had put forward the 8-point "proposal of basic agreement for the improvement of North-South relations" which defines the principles of North-South relations and the general direction of the high-level talks.

We consider that your proposal is, in nature, different from ours but that if some alternations are made in expression, individual points may be worth considering.

There are the three principles of national reunification—independence, peaceful reunification and great national unity—which were already affirmed by both sides in the July 4 joint statement, and these very principles are comprehensively formulating the positions and relations of the North and the South which are aspiring to reunification. The important thing is just to reaffirm these principles, and we need not specify here another, general principles. We consider that there is no need to formulate another insignificant direction, as the framework of the problems and the direction of their discussion in the high-level talks have already been clarified in the agenda.

We consider that it holds no water to issue any agreement of such general contents and it will never meet great sympathy from the people at home and abroad who are following our talks.

So we consider that it would be better to contain in one document what is acceptable to each other in the proposals of both sides, demonstrate even more clearly at home and abroad our common desire for peace and reunification and announce an agreement which is constructive and effective and can fully serve as our starting point. We propose to adopt and announce, as a document of such historic importance, the North-South non-aggression declaration, which follows.

The North-South Non-Aggression Declaration (Draft)

In reflection of the unanimous desire to remove the tensions on the Korean Peninsula, thwart war and achieve peace and peaceful reunification of the country and swearing to reaffirm and strictly observe the three principles of national reunification—independence, peaceful reunification and great national unity—set out in the July 4 joint statement and recognize and respect each other's ideologies and social systems and refrain from interfering in the internal affairs of the other side, the North and the South solemnly declare as follows:

Article 1. The North and the South as a single nation shall not use arms against the other side in any case or infringe upon the other by force of arms.

Article 2. The North and the South shall settle possible differences and disputes peacefully through dialogue and negotiation.

Article 3. The demarcation line for non-aggression between the North and the South shall be the military demarcation line laid down in the agreement in the military armistice in Korea dated July 27, 1953.

Article 4. The North and the South shall stop arms race and reduce the Armed Forces stage by stage in order to firmly guarantee the mutual promise on non-aggression.

Article 5. The North and the South shall, for the present, install and operate direct telephone links between the military authorities of the two sides in order to prevent accidental arms conflict and its expansion.

Article 6. This declaration on non-aggression can be revised or supplemented through agreement between the North and the South.

Article 7. This declaration shall be valid from the day when the North and the South go through procedures needed for its vitality and exchange a notice informing each other of the result, and shall remain valid until the reunification of the country unless any side informs the other of its abrogation.

This non-aggression declaration proposed by us takes into full account the problems of principle of which both sides, your side in particular, make the common starting point and clearly reflects the common will of both sides for peace and peaceful reunification.

We are convinced that this declaration is precisely a new norm of North-South relations which both the North and the South should observe in their efforts for peace and peaceful reunification and a basic document to establish peaceful North-South relations free of "northward invasion" or "southward invasion".

This kind of declaration is of greater practical value than any kind of agreement defining only general principles or general orientation, and accordingly, it will call forth a great response among the people at home and abroad on its publication.

We believe that you do not have any particular objection to making our draft declaration our common basis and starting point and adopting it because it contains important problems of principle advanced in your draft "basic agreement" and because your side wants to conclude a "non-aggression agreement" and proposed to install and operate hot line between the military authorities.

We consider that, if your side wishes, in order to make our first start more fruitful, we can reach an agreement on discontinuing political slanders and calumniations which both sides commonly propose.

Next, the problems we must solve completely at the current talks are the measures for UN membership, the discontinuance of the "Team Spirit" joint military exercise and the release of the visitors to the North that we proposed as urgent items at the first talks.

Two rounds of contacts of delegates have already been held at Panmunjom to discuss the problem of the North and the South entering the UN with one seat, according to the agreement of both sides.

But, to our regret, the contacts of delegates did not see any special progress and, while discussing the problem with us at the contacts, your side declared repeatedly through official circles that you would enter the UN unilaterally.

This is not a sincere attitude to solve the problem and we cannot consider that you approach our side with good faith.

The entry into the UN with one seat is quite feasible if both sides decide and agree on it.

It is no more than shirking responsibility that your side insists that our proposal is unrealistic in the light of the UN Charter and on the pretext of "two entities".

If the North and the South enter the UN by agreement, holding one seat, it will dispense with the need for us to quarrel with each other on the international political arena and, it will also contribute to peace on the Korean Peninsula and Korea's reunification.

Needless to say, it accords with the ideal and mission of the UN to ensure peace and security and will be welcomed by the UN.

We cannot understand the statement of your side that its unilateral entry into the UN is a matter relating only to your side and the UN and that it has nothing to do with the question of reunification.

The very fact that your side has proposed our side a "simultaneous entry" into the UN before and is now discussing with us the matter of one-seat entry means that your side is aware of its being related to the North and the South and admits that it is connected with the reunification question.

We have managed without entering the UN for several decades, but your side is insisting on its unilateral UN membership at this time when reunification is expected to be realized in the 1990s, especially when the high-level talks are under way for the first time and the trend towards reunification is mounting higher with every passing day. Our side can never regard this attitude as one for reunification.

Recognizing that the matter of UN membership is a very serious and pressing question affecting the future course of North-South relations and the reunification of the country, we would like to put forward proposals as follows, in order to discuss and solve the problem according to the common interests of the nation with sincere attitude.

Firstly, the two sides will work together to discuss and solve the problem of the entry into the United Nations in favour of the cause of reunification at the full-dress North-South High-Level Talks and contacts of the delegates.

Secondly, the two sides will continue the discussion of the problem of the entry into the UN until an agreement will be reached on it at the full-dress talks and contacts of the delegates.

Thirdly, neither of them will enter the UN before an agreement is reached on the problem of entry into the UN at the North-South High-Level Talks.

Believing that your side has a full understanding of our sincerity to solve the problem of the entry into the UN in favour of the cause of national reunification, I hope that an agreement will be reached on the above-mentioned proposals.

As we stressed at the first round of the talks, putting an end to the "Team Spirit" joint military exercises is a most pressing problem which must be solved without fail for the talks between us, to say nothing of peace in the country.

Before long, large forces of American troops will come across the ocean to South Korea to turn it into a battlefield and to aggravate the situation in our country.

If so, our efforts for peace and reunification will come to nothing in a day, a shadow will be cast over the prospect of the high-level talks and today's good atmosphere exciting all the fellow countrymen be spoiled.

If the "Team Spirit" joint military exercises are staged in spite of such grave consequences, it cannot be construed otherwise than a deliberate act of apparently disliking detente, avoiding national unity and rejecting dialogue.

The "Team Spirit" joint military exercises are a product of the era of confrontation. It is anachronistic to continue these military manoeuvres that began in the '70s still now when detente and unity are desirable.

Further, it is deplorable in view of the national view that a nuclear war exercise levelled at the fellow countrymen has been persistently staged together with foreign troops at a time when the foreign troop pullout has become a trend of the times and all the countries are advocating independence.

As we have repeatedly declared, we neither have intention to invade the South nor are capable of fighting in face of 1,000 pieces of nuclear weapons deployed in South Korea.

If your side actually feels any threat from the North, your side must, first of all, lend an ear to our disarmament proposal, instead of staging military exercises together with foreign troops.

The extremely dangerous "Team Spirit" joint military exercises that will impose a holocaust of a nuclear war, not a pleasure of reunification, upon the 70 million fellow countrymen can never be justified with any pretext, and they must be ended at once.

If it is difficult for your side to stop the joint military manoeuvres once and for all, it should be willing to discontinue them tentatively even during the North-South High-Level Talks for its sake.

If there is a reason for your side not to solve this problem by its own decision, it is desirable that both sides, in the name of the North-South High-Level Talks, send a letter to the U.S. Administration demanding an end to the "Team Spirit" joint military exercises.

The problem of the release of those who visited the North, too, should be solved immediately in keeping with the atmosphere of the inter-Korean dialogue.

Frankly speaking, we expected that steps to release those visitors would be taken with your side's visit to Pyongyang as an occasion.

This expectation of ours is based on our interview with the chief executive of your side and on the fact that your Pyongyang visit, like that of Rev. Mun Ik-hwan and woman student Yim Su-kyong, has been realised.

Contrary to our expectation, however, those who visited the North are still kept behind bars.

Our people who greeted and farewelled them with warm feelings of kinship are now deeply anxious about their safety and greatly concerned for their release. And they have ill-feelings towards your side's attitude of delaying the settlement of this problem.

Now this problem is one of the pressing problems whose solution brooks no delay in North-South relations.

We must not charge them with their decisive act in taking the lead in the northern trip for reunification of the country but have the conscience of reflecting on that we were behind them on traveling between Seoul and Pyongyang.

This national conscience will not allow us to keep the visitors behind bars still now when high-level officials of the North and the South visit Pyongyang and Seoul and sportsmen and musicians pass through Panmunjom, and to hesitate to release them.

Next, I would like to speak of the issues which should be discussed and agreed upon in advance for a smooth progress in the discussion of the agenda items.

The problem in the discussion of the essential matters is how to divide the agenda items, what problem is to be discussed first and how to agree and put into practice.

As far as the issue of removing the political and military confrontation is concerned, we proposed reducing political confrontation and removing military confrontation. But your side has brought forward a "proposal for building political and military confidence" in which your side proposes this problem separately.

Your side has also come out with another proposal entitled "South-North arms reduction."

As far as the order of priority is concerned, we give priority to the lowering of political and military confrontation, whereas your side gives priority to many-sided exchange and cooperation.

As is seen above, the proposals of the two sides are different in terms of the forms of division, frameworks of discussion and order. So we think it is necessary to settle them before going into discussing detailed points.

First of all, how should we divide our proposals?

As for the "proposal for political and military confidence-building" raised by your side, it does not fully meet the requirements of the agenda item both in its title and contents.

"Confidence-building" alone cannot remove confrontation and, moreover, your side's "proposal for confidence-building" fails to include all the matters concerning the removal of confrontation.

For instance, your "proposal for confidence-building" does not include such essential and basic questions as the withdrawal of foreign troops, the dismantlement of nuclear weapons, and the arms reduction of the North and the South.

However, our proposals aimed at removing political confrontation and reducing military confrontation take these essential matters into full consideration.

As for multi-faceted cooperation and exchange, our proposal generally includes the contents of the 10-point proposal put forward by your side.

This bespeaks that when our proposals are discussed, those matters advocated by your side can be debated at the same time.

Therefore, we propose to confirm the three-point agenda on the basis of our proposal—"a proposal to remove political confrontation", "a proposal to do away with military confrontation" and "a proposal for multi-faceted cooperation and exchange."

In the process of discussing these three proposals the "proposal for confidence-building," "proposal for multilateral exchange and cooperation" and the "orientation of arms reduction" asserted by your side can be debated simultaneously.

Next, as to the problem of the order of discussion.

With regard to the order of discussion, we consider that it is necessary to discuss first the proposal for removing political and military confrontation in view of the importance and urgency of this problem.

However, it would be unreasonable to postpone the discussion of the problem of exchange and cooperation until a full agreement is reached on the problem of removing the political and military confrontation, on the ground that this problem is important.

Taking into account the advocacy of your side to discuss the problem of exchange and cooperation first, we think that it will be possible to discuss the proposals for removing the political and military confrontation and effecting many-sided cooperation and exchange at the same time.

Next, on the problem of how to reach an agreement and the method of how to put it into effect.

This problem is a very important matter which will affect the success of talks.

In this regard, we deem it reasonable to draft a package agreement on the agenda "on removing the political and military confrontation between the North and the South and effecting many-sided cooperation and exchange" and put these two problems into practice simultaneously after the agreement is adopted.

The principle of a package agreement and simultaneous implementation proceeds from our consideration of the fact that at present the primary concerns of the two sides are different and that those problems to be discussed and solved are all interlinked.

We consider that, while following this principle, it is advisable for both sides to reach an agreement on each matter awaiting urgent solution and put it into effect.

Our two sides have already made a good step toward the road of removing the political and military confrontation between the North and the South and achieving peace and peaceful reunification.

Now we should not rest content with the start but all of us must make sincere efforts to lead it to a success.

The start is also important for us, but what is more important is the result.

The two sides must discharge the mission and responsibility they have assumed on behalf of the nation and thus see to it that in this land where the cold wind of confrontation is sweeping over, the spring of unity is brought and the new morning of reunification dawns as soon as possible.

I would like to conclude my speech by expressing my conviction that the present talks will take one more step forward from the first talks.

Efforts for Reunification Viewed

SK1710022790 Pyongyang Domestic Service in Korean 0920 GMT 9 Oct 90

[Unattributed special article: "The Consistent Efforts of the Workers' Party of Korea (WPK) for National Reunification"]

[Text] With endless national pride and confidence, we significantly greet the 45th anniversary of the founding of the glorious WPK.

The past 45 years of our party are a shining course of creation and construction, in which an epoch-making progress and prosperity have been achieved in the northern half of the Republic, and the annals of struggle in which all efforts have been made to put an end to the history of national division and to realize the cause of national reunification.

Since the day when the national land was bisected by the U.S. imperialists' occupation of South Korea shortly after 15 August 1945, our party has set forth the reunification of the country as a supreme national task and has made all sincere efforts to achieve it.

Our WPK, the headquarters of the revolution which totally assumes responsibility for the fate of the country and the nation, is a guiding force which leads socialist construction in the northern half of the republic and the cause of national reunification to the single road of victory.

Without the tested leadership and struggle of the WPK, our nation cannot extricate itself from the misery and suffering caused by division neither can it conceive the reunification of the country and national prosperity.

Realizing the reunification of the country independently and peacefully on a democratic principle without any foreign interference is a basic policy which our party has adhered to. This basic policy of our party is a fair and aboveboard policy which most correctly reflects the interests and demands of all Korean people in the North, the South, and abroad who eagerly aspire for national reunification.

Since the first period of national division, the WPK has consistently adhered to this policy and has made patient efforts to implement it.

The great leader Comrade Kim Il-song has taught: Since the first day of the division of the country into the North and the South, we have put forward many reasonable proposals and have steadily struggled to realize them.

The question concerning the reunification of Korea is the issue of putting an end to the domination and interference of foreign forces, of completely realizing national sovereignty, of removing the situation of political and military confrontation between the North and the South, and of achieving national unity.

Proceeding from its perceptions of the nature of the reunification issue, the WPK has advanced the most reasonable and realistic ways and policies in every period and at every stage of the developing situation and has steadily struggled to realize them.

On the basis of its stand that national reunification, the common cause of the nation, should be achieved thoroughly with our nation's own strength and on a democratic principle, our party first laid down the policy of establishing a unified central government by holding a free general election in the North and the South. Under the situation in which the splittist maneuvers of the U.S. imperialists and the Syngman Rhee clique had been less disguised, this policy of our party was the most reasonable and realistic way for reunification.

Forming powerful independent national forces by uniting all patriotic forces in the North and the South is an essential demand for national reunification.

A joint conference of representatives from political parties and social organizations in North and South Korea, which was convened in 1948 upon the initiative of our party, was a historic event which helped to unite the patriotic forces of all Korean people for the withdrawal of all foreign forces from Korea, for the frustration of the nation-ruining separated election of the U.S. imperialists and the Syngman Rhee clique, and for the establishment of a unified government.

Turning away from the unanimous aspirations of the entire nation for reunification, the U.S. imperialists and the Syngman Rhee clique dared to push ahead with the separated election, cooked up a puppet government, and openly accelerated preparations for a war of northward invasion.

To counter this grave situation, the WPK arranged a meeting to form a nationwide democratic front for the reunification of the fatherland with representatives from 72 political parties and social organizations in the North and the South, proposed to reunify the fatherland by the method of establishing the supreme legislative of Korea, and spared no sincere effort to realize the proposal.

When the U.S. imperialists and the Syngman Rhee clique were kicking up a frantic racket of reunification through a northward advance after the war, the WPK repeatedly put forward reasonable and realistic proposals for reunification on the basis of its scientific analysis of the changing situation and made active efforts to put them into practice.

What is important in our party's struggle for national reunification is its consistent efforts to enforce a North-South confederal system.

Proceeding from lofty aspirations for reconnecting the ruptured bonds of the nation and for reunifying the divided fatherland without fail, our party laid down a proposal for North-South confederation already in the early 1960's. After that, it set forth a proposal to form a confederal republic under the single state name and made all sincere efforts to realize it.

The proposal to found a democratic confederal republic of Koryo [DCRK] and the 10-point policy of a reunified state, which the great leader Comrade Kim Il-song advanced at the Sixth WPK Congress, are new and original programs for reunification with are of epochal significance in our party's struggle for the reunification of the country.

Our party's proposal to found the DCRK is an embodiment of the great leader Comrade Kim Il-song's immortal chuche idea in solving the problem of national reunification and is the most fair reunification overture based on the 3-point principle of independence, peaceful reunification, and grand national unity, to which our party consistently adheres for reunification, and on the concrete realities of our country. It correctly reflects the national aspirations of the Korean compatriots in the North, the South, and abroad.

The question of the nation is, in nature, the problem of getting extricated from all types of domination and enslavement and realizing national sovereignty.

Our proposal to reunify the fatherland by founding a confederal republic indicates the most correct road which makes it possible to realize the aspirations and demands of our people for restoring sovereignty, which has been trampled underfoot by foreign imperialist aggression forces, and for living as the masters of their destinies.

Because of its justness and truth, the proposal to found the DCRK has aroused absolute support and sympathy among the people at home and abroad. Also, it has dealt a heavy blow to the U.S. imperialists and the South Korean puppet clique that have persistently cleaved to maneuvers to concoct two Koreas by coming out with the theory of a simultaneous or separate entry into the United Nations and the theory of cross-recognition. In addition, it has vigorously encouraged the struggle of the Korean people in the North, the South, and abroad for national reunification.

Our party has consistently made sincere efforts to realize the reunification of the country in a peaceful manner through dialogue and negotiations.

The realization of national reunification in a peaceful manner means solving the problem of reunification not

by exercising the force of arms but by objecting to the interference and aggression of foreign forces and through dialogue and negotiations.

According to this principle, our party has repeatedly fair and aboveboard proposals, which can be acceptable to whoever loves the country and the nation, and has made all efforts to realize them.

On the basis of its scientific analysis of the rapidly changing international situation in the 1970's, our party has taken the initiative in putting forward a proposal for a meeting and negotiation between representatives of political parties and social organizations and individual personages in the North and the South—an epoch-making measure to open a way for independent and peaceful reunification—and has made all sincere efforts to realize the proposal.

As a result, the long-deadlocked door between the North and the South opened; dialogue was held; and finally, the 4 July North-South Joint Statement was issued.

As a result of holding the North-South dialogue and the release of the North-South communique with the 3-point principle of independence, peaceful reunification, and grand national unity as basic contents, the spirit of national reunification began to rapidly grow higher throughout the country.

However, the U.S. imperialists and the South Korean puppets wantonly infringed upon the joint statement behind the scenes of dialogue and openly came out with the policy of two Koreas, clamoring about a simultaneous entry into the United Nations and cross-recognition.

Because of the splittist maneuvers of the U.S. imperialists and the South Korean puppets, the hard-won North-South dialogue was suspended and grave obstacles were laid in the path of national reunification.

On the basis of his profound insight into the created situation, the great leader Comrade Kim Il-song advanced the 5-point policy of national reunification as an epoch-making measure for checking and frustrating the maneuvers of the splittists at home and abroad to concoct two Koreas and for achieving the peaceful reunification of the country.

Thanks to the active efforts and struggle of our party to realize the 5-point policy of the respected and beloved leader, all types of crafty conspiracies and tricks have been brought to light.

Our party's efforts for the reunification of the country have been more clearly expressed by its struggle against the North or the South resorting to the force of arms in solving the problem of reunification and against any act of leading the situation to a high pitch of tension.

As the first step to create circumstances in favor of peace in the country and its peaceful reunification, our party has repeatedly demanded an end to the arms buildup and race, the withdrawal of all foreign forces, the abolition of their military bases, and the signing of a peace agreement and have made all efforts possible to realize these.

Having proposed Korean-U.S. talks a long time ago, our party proposed in 1984 to hold tripartite talks, sign a peace agreement between us and the United States, and adopt a declaration of nonaggression between the North and the South, and made all sincere efforts to realize the proposal.

It is well known to the world that having put forward the proposal for talks between military authorities, the proposal for North-South high-level political and military talks, the four principles on guaranteeing peace, the comprehensive overture for peace, and many other peace proposals, the WPK took the bold practical measure of reassigning 150,000 soldiers of the People's Army to peaceful construction and of unilaterally reducing the armed forces by 100,000.

The WPK has adhered to the stand of settling important national affairs in solving the problem of reunification always conforming with the will and interests of all people.

In recent years alone, our party has laid down the proposal for a North-South joint conference, the proposal for a joint parliamentary meeting, and the proposal for convening a political consultative conference between leading figures in the North and the South. This proceeded from our party's aspirations for setting a theater for wide-scope negotiations to pool the general will of the nation and for solving urgent problems in settling the issue of detente, peace, and reunification in conforming with the interests of the nation.

Our party has opened the door of dialogue for each political party and grouping and the people of every walk of life in South Korea.

In this course, Rev Mun Ik-hwan and his entourages and student Yim Su-kyong returned home after visiting Pyongyang as envoys of reunification. Also, North-South high-level talks are ongoing.

Indeed, the efforts of the WPK for national reunification are immeasurable.

By reflecting the aspirations of all fellow countrymen for reunification and their urgent demands, the respected and beloved leader Comrade Kim Il-song, the great lodestar of national reunification, put forward this year the epoch-making overture for demolishing the wall between the North and the South and realizing free visits and full-scale opening.

In his historic policy of last May, he set forth the 5-point policy of national reunification, a new landmark for reunification.

All Korean people in the North, the South, and abroad, who heard of this program for reunification, have more

vigorously turned out for the reunification movement, convinced of national reunification.

However viciously the U.S. imperialists and the South Korean puppets may perpetrate antireunification maneuvers to perpetuate the division of the country, their maneuvers will be in vain.

Shouts of reunification have fiercely echoed in the North, the South, and abroad.

The general situation is decisively changing in favor of our nation's performance in the cause of reunification.

Advancing under the leadership of the glorious WPK, our people will accomplish the historic cause of national reunification without fail.

Daily Cited on No Tae-u's 'War Against Crimes'

SK1710122590 Pyongyang KCNA in English 1033 GMT 17 Oct 90

[Text] Pyongyang October 17 (KCNA)—NODONG SINMUN today comments on the "war against crimes and violence" proclaimed by the South Korean chief executive a few days ago.

Drawing attention to the fact that the "declaration of war" was timed to coincide with the explosion of a widespread struggle of the opposition democratic forces, students and people denouncing the political surveillance over civilians by the "Army [Defense] Security Command" which had been exposed in South Korea recently, a news analyst of the paper says:

We cannot but take note of the fact that the voice calling for national unity and reunification is ringing louder than ever before among the South Korean people.

The South Korean people and public opinion at home and abroad do not doubt that the "war" started by the South Korean chief executive under the pretext of "wiping up crimes and violence" is one more repressive operation to crack down upon the patriotic forces that call for the resignation of the military "regime" and for national reunification and to maintain a "power".

By deciding to hurl "government power" into campuses which are astir with the movement for independence, democracy and reunification the South Korean authorities revealed their sinister intention by themselves. To make the long story short, it is not a "war" against crimes, but a "war" against the opposition democratic forces including students.

They are, in fact, trying to tide over the crisis of "power," while pretending to protect people.

The wild suppression to which the South Korean chief executive resorts even by "declaring a war," something hitherto unknown, shows that the present "regime" finds itself in a blind alley in its crisis.

Kaifu Expresses Intention To Normalize Ties

SK1710043290 Pyongyang KCNA in English 0417 GMT 17 Oct 90

[Text] Pyongyang October 17 (KCNA)—Japanese Prime Minister Kaifu in his speech at the full-dress session of the extraordinary Diet held on October 12 referred to the question of DPRK-Japan relations, according to a NHK report.

Hailing the opening of the road of inter-governmental dialogue between Japan and the DPRK, he expressed the intention to actively approach the future inter-governmental negotiations for the normalisation of state relations.

He said that he was deeply reflecting on and regretful at the act of his country in inflicting unbearable sufferings and sorrows upon all the people on the Korean peninsula in a past period.

In the meantime, Misoji Sakamoto, chief cabinet secretary of Japan, in a press conference in Tokyo on October 12 said that Japan does not raise any precondition for starting inter-governmental dialogue with the DPRK, according to a foreign press report.

He supports the Japanese Government in starting the talks quickly, he added.

Japanese Minister of Foreign Affairs Taro Nakayama in his interview with reporters in Paris on October 11 confirmed the readiness of Japan to start talks with the DPRK as early as possible.

Chinese Hydroelectric Group Signs Documents

SK1110105490 Pyongyang KCNA in English 1015 GMT 11 Oct 90

[Text] Pyongyang October 11 (KCNA)—The 43rd meeting of the council of the Korea-China Hydro-electric Power Company was held recently in Pyongyang.

A decision on the points agreed upon was signed on October 10.

Present at the signing ceremony on our side were Yi Chung-song, vice-chairman of the commission of the electric power industry, and other officials concerned, and on the opposite side were the members of the delegation of the Chinese side to the council of the Korea-China Hydro-electric Power Company headed by Liu Youmei, vice-minister of energy, and officials of the Chinese Embassy in Pyongyang.

Kim Il-song Receives Reply From PRC Leaders

SK1610030790 Pyongyang Domestic Service in Korean 2200 GMT 13 Oct 90

[Message from Chinese party and state leaders to Kim Il-song, general secretary of the Central Committee of

the Workers' Party of Korea, WPK, and DPRK president, in reply to his congratulations on the 41st anniversary of the founding of the PRC—read by announcer]

[Text] Pyongyang:

Comrade Kim Il-song, general secretary of the WPK [Workers' Party of Korea] Central Committee and DPRK president:

We express the most heartful thanks to you for having extended ardent congratulations on the 41st anniversary of the founding of the PRC.

We genuinely rejoice over the development of great friendship between the two parties, countries, and peoples of China and Korea with each passing day and wholeheartedly wish the fraternal Korean people greater success in the cause of socialist construction and in the struggle to achieve the independent and peaceful reunification of the fatherland.

[Signed] Jiang Zemin, general secretary of the CPC Central Committee; Yang Shangkun, PRC president; and Wan Li, chairman of the Standing Committee of the PRC National People's Congress

[Dated] 9 October 1990, Beijing

Foreign Ministry Spokesman Denounces Israel

SK1210163390 Pyongyang KCNA in English 1610 GMT 12 Oct 90

[Text] Pyongyang October 12 (KCNA)—A spokesman for the foreign ministry of the Democratic People's Republic of Korea [DPRK] issued a statement today denouncing the brutalities committed by the Israeli security forces in Jerusalem on October 8.

The statement says:

The massacre committed by Israel is a grave violation of the Palestinian people's legitimate rights and an outrageous mass state terrorism.

The DPRK Government and the Korean people vehemently condemn the Zionists' thrice-cursed massacre.

The recent incident in Jerusalem clearly shows that the Zionists leave no stone unturned to suppress the Palestinian people's resistance and are still harbouring an ambition for remaining in the land of Palestine indefinitely.

It is an immediate product of the Israeli occupationist expansionist policy and a result of the failure to solve the Middle East issue with the Palestinian problem as the key point.

As long as the Zionists remain in the land of Palestine, a durable peace and security cannot be ensured in the Middle East.

If a lasting peace is to be achieved in the Middle East, the Israeli authorities must stop their reckless suppression of the Palestinian people at once, immediately quit all the occupied Arab lands and the Palestinian people's legitimate rights including right to self-determination, return to their country and establishment of an independent state should be guaranteed.

The DPRK Government and the Korean people will, in the future, too, consistently and resolutely support and encourage the Palestinian people in their just cause for retaking their legitimate rights and render active solidarity with their struggle.

Leadership Receives Gifts From Yasir 'Arafat

SK1610055190 Pyongyang KCNA in English 0430 GMT 16 Oct 90

[Text] Pyongyang October 16 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received a gift from Yasir 'Arafat, president of the State of Palestine.

The gift was conveyed to Vice-President Pak Song-chol by Bakir A. Moneim, member of the Revolutionary Council of the National Liberation Movement of Palestine, on a visit to Korea.

[Pyongyang KCNA in English at 0433 GMT on 16 October reports that "Comrade Kim Chong-il received a gift from Yasir 'Arafat...the gift was conveyed to Vice-President Pak Song-chol."]

Pak Song-chol Receives Palestinian Delegation

SK1310072290 Pyongyang KCNA in English 0554 GMT 13 Oct 90

[Text] Pyongyang October 13 (KCNA)—Vice-president Pak Song-chol on October 12 met and had a friendly conversation at the Mansudae Assembly Hall with the delegation of the state of Palestine headed by Bakir A. Moneim, member of the Revolutionary Council of the Palestine National Liberation Movement, which had participated in the celebrations of the 45th anniversary of the founding of the Workers' Party of Korea.

Present on the occasion were Vice-minister of Foreign Affairs Choe Su-hon and ambassador of the state of Palestine to Korea Mustafa al-Safarini.

Lao Party, State Delegations Welcomed

SK1310054390 Pyongyang KCNA in English 0534 GMT 13 Oct 90

[Text] Pyongyang October 13 (KCNA)—A mass meeting was held at the February 8 House of Culture on October 12 to welcome the Lao party and state delegation which had participated in the celebrations of the 45th anniversary of the founding of the Workers' Party of Korea.

Choe Mun-son, chief secretary of the Pyongyang Municipal Party Committee and chairman of the Pyongyang Municipal People's Committee, spoke at the meeting.

The Lao people's revolutionary party and people have covered a road of arduous, yet worthy struggle, the speaker said, adding: Over the last 15 years since they abolished monarchism and proclaimed the Republic, the fraternal Lao people have registered remarkable achievements in the building of a new society, closely rallied behind the Lao People's Revolutionary Party.

He further said:

The Korean people value their friendship with the fraternal Lao people and will make every possible effort to deepen and develop the friendly relations in various domains in the interests of the two peoples who are struggling to realise the cause of socialism.

Head of the delegation Sisavat Keobounphan, member of the Political Bureau and secretary of the Central Committee of the Lao People's Revolutionary Party, spoke next.

Pointing out that the Workers' Party of Korea is the organiser and guide which is leading to victory the revolutionary struggle of the Korean people for the prosperity of their country, the speaker said: In the past, the heroic and industrious Korean people have resolutely struggled under the leadership of the Workers' Party of Korea headed by the great Comrade Kim Il-song, surmounting all difficulties in defence of their homeland and in socialist construction.

The meeting between the great leader of the Korean people Comrade Kim Il-song and respected General Secretary Kaysone Phomvihan marked an important occasion in further developing the friendly and cooperative relations between the two countries, the speaker said, and declared:

The Lao People's Revolutionary Party, government and people will always invariably support the cause of the Korean people for peace and reunification of the Korean peninsula.

Thai Delegation Presents Gifts, Meets Kim

SK1210132490 Pyongyang KCNA in English
1116 GMT 12 Oct 90

[Text] Pyongyang October 12 (KCNA)—The great leader President Kim Il-song today received a military delegation of the Kingdom of Thailand headed by Phichit Kunlawanit, deputy commander of the Supreme Command of the Armed Forces; a delegation of the Democratic Party of Thailand headed by Trairong Sunwannakhiri, deputy general secretary of the party and deputy minister of interior; a delegation of the National Party of Thailand headed by Sa-at Piyawan, first deputy leader of the party and president of the League of Foundations of Thailand; and a delegation of the Social Action Party of Thailand headed by Sawas Bunturng Sook [name as received], advisor to the deputy leader of the party, on a visit to Korea.

Present there were Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea [WPK], General Kim Kwang-chin of the Korean People's Army, and Kim Yang-kon, vice-director of a department of the WPK Central Committee.

President Kim Il-song had a conversation with the guests in a cordial and friendly atmosphere.

He was presented with gifts by the guests.

[Pyongyang KCNA in English at 1600 GMT on 12 October reports that "Comrade Kim Chong-il received gifts from General Pichit Kunlawanit...the gifts were handed over to officials concerned."]

WPK Sends Condolences to Vietnamese Party

SK1510061390 Pyongyang KCNA in English
0525 GMT 15 Oct 90

[Text] Pyongyang October 15 (KCNA),—The Central Committee [C.C.] of the Workers' Party of Korea [WPK] Sunday sent a message of condolences to the Central Committee of the Communist Party of Vietnam upon the death of Le Duc Tho, member of the Political Bureau and secretary of the Central Committee of the Communist Party of Vietnam and advisor to it.

Upon receiving the sad news that Le Duc Tho passed away, the message says, the C.C. the WPK expresses deep condolences to the Central Committee of the Communist Party of Vietnam and the bereft family of the deceased.

Yi Chong-ok Meets Vietnam, Peru Delegations

SK1510062790 Pyongyang KCNA in English
0551 GMT 15 Oct 90

[Text] Pyongyang October 15 (KCNA)—Vice-President Yi Chong-ok Sunday met and had friendly talks respectively with the delegation of the Communist Party of Vietnam headed by Hoang Bich Son, member and director of a department of the party Central Committee, and the delegation of the American Popular Revolutionary Alliance of Peru headed by Carlos Roca, member of the National Executive Committee of the Alliance, which had participated in the celebrations of the 45th founding anniversary of the Workers' Party of Korea.

MPRP Greets WPK on Founding Anniversary

SK1610124090 Pyongyang Domestic Service in Korean 2100 GMT 12 Oct 90

[Text] The Central Committee of the Workers' Party of Korea [WPK] received a message of greetings from the Central Committee of the Mongolian People's Revolutionary Party [MPRP] on the occasion of the 45th anniversary of the WPK. The message is as follows:

Pyongyang

Central Committee of the WPK

On the occasion of the 45th anniversary of the founding of the WPK, we warmly congratulate all communists in Korea.

We wish the WPK a great new success in its sacred cause for the basic interest of its nation and for happiness of the people.

Central Committee of the MPRP

[dated] 10 October 1990, Ulaanbaator

O Chin-u Congratulates Mongolian Counterpart

SK1610103490 Pyongyang KCNA in English 1021 GMT 16 Oct 90

[Text] Pyongyang October 16 (KCNA)—Vice Marshal of the Korean People's Army O Chin-u, minister of People's Armed Forces, sent a message of greetings to Lieutenant General Shagalyn Jadambaa upon his appointment as minister of defence of the Mongolian People's Republic.

The message wished him health and happiness and success in his new work for increasing the defence capabilities of the country.

Leadership Receives Gift From Burundi President

SK1610002390 Pyongyang KCNA in English 2232 GMT 15 Oct 90

[Text] Pyongyang October 15 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received a gift from Pierre Buyoya, president of the Republic of Burundi.

The gift was conveyed to Vice-President Pak Song-chol by Etienne Sinda Hebura [name as received], member of the Executive Committee of the Burundi Military Committee for National Salvation, on a visit to Korea.

[Pyongyang KCNA in English 2233 GMT 15 October reported that "Comrade Kim Chong-il received a gift from Burundi President Pierre Buyoya...the gift was handed to an official concerned by Etienne Sinda Hebura."]

Gifts Recieved From Maldivian President

SK1310055690 Pyongyang KCNA in English 0545 GMT 13 Oct 90

[Text] Pyongyang October 13 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received a gift from Maumoon Abdul Gayoom, president of the Republic of Maldives.

Speaker of the Majlis of Maldives Ahmed Zaki on a visit to Korea handed the gift to Chairman of the Supreme People's Assembly Yang Hyong-sop.

[In a related report, Pyongyang KCNA in English 0546 GMT 13 October says "Comrade Kim Chong-il received a gift from Maumoon Abdul Gayoom." The gift was handed to Yang Hyong-sop.]

Malian President Sends Gifts to Leadership

SK1410092690 Pyongyang KCNA in English 0824 GMT 14 Oct 90

[Text] Pyongyang October 14 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, received a gift from Moussa Traore, general secretary of the Malian People's Democratic Union and president of the Republic of Mali.

Mbouille Siby, administrative secretary of the Union, on a visit to Korea handed the gift to So Kwan-hui, secretary of the WPK Central Committee.

[In a related item, Pyongyang KCNA in English 0836 GMT 14 October reported that "Comrade Kim Chong-il received a gift from Moussa Traore... the gift was handed to So Kwan-hui"]

Togolese President Sends Gift to Kim Il-song

SK1410093490 Pyongyang KCNA in English 0827 GMT 14 Oct 90

[Text] Pyongyang October 14 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received a gift from Gnassingbe Eyadema, president-founder of the Togolese People's Rally and president of the Republic of Togo.

Messan Akouetey [name as received], member of the Central Committee of the Togolese People's Rally and president of the National Assembly, staying in Korea handed the gift to an official concerned.

Japanese Firms Form Consortium To Bid on Railway

SK1210072690 Seoul YONHAP in English 0533 GMT 12 Oct 90

[Text] Seoul, Oct. 12 (YONHAP)—A consortium of Japanese companies has been secretly set up to bid for the contract to build a high-speed railway between Seoul and the southeastern port of Pusan.

Transportation Ministry officials said Friday that Sugawara Misao, president of the Japan Railway Technical Service, disclosed the existence of the consortium during a meeting with Vice Transportation Minister Chang Sang-hyon and said it will soon open an office in Seoul.

Chang said the government will select the Seoul-Pusan high-speed railway system after carefully studying the terms and conditions of bids from Japan, France and West Germany.

Terms of construction, technology transfer and the system's applicability to the Korean topography will be considered.

The government will select a partner for the project by the year's end.

Guideline on Practical Political Work Reviewed

SK0610040090 Pyongyang Domestic Service in Korean 0010 GMT 27 Sep 90

[NODONG SINMUN 27 September special article: "A Programmatic Guideline Indicating a Way To Elevate the Level of Party Functionaries' Practical Political Work"]

[Text] Today marks the 10th anniversary of dear Comrade Kim Chong-il's publication of the historic classic work on "Further Elevating the Level of Party Functionaries' Practical Political Work."

This historic classic work published on 27 September 1980 comprehensively elucidates all matters arising in preparing party functionaries to be competent functionaries—including a need to elevate the level of party functionaries' practical political work, tasks, and ways to discharge them.

Because of this, the classic work becomes a programmatic guideline that makes it possible to enhance the militancy and leadership role of the party and further improve and strengthen its work.

The justness and vitality of the work have been unreservedly confirmed by the practice of the party's work over the past 10 years. In the course of implementing the idea, theory, and policy in the work, the practical political capabilities of functionaries have been elevated in conformity with the demands of developing realities; the party's work has been firmly turned into lively and creative work with the people; and a new turn in the party's guidance to economic work has been effected.

As made clear by dear Comrade Kim Chong-il in his work, it is important for all party functionaries to become competent functionaries who have been firmly prepared in terms of political practice.

A high level of political practice means being well acquainted with the party's policy, a high level of knowledge and technology, and strong activeness and abilities to push ahead with work.

The functionaries with a high level of political practice are those who have deeply studied and grasped the great leader Comrade Kim Il-song's teachings and the party's ideas and theories and who possess organizational skill and abilities to implement the party's policies without fail.

The party functionaries should work not with their authorized power but with their knowledge and capabilities. An important demand to enhance the party's leadership in the revolution and construction is for them to work with high practical political capabilities.

The party's leadership in the revolution and construction is guaranteed by the activities of party functionaries. The party functionaries are professional revolutionaries and political activists who rally the masses around the party and organize and mobilize them to implement the party's policies.

The struggle to carry out the party's lines, policies, decisions, and directives is organized and led by functionaries. Therefore, how the party's decisions and directives are implemented at every unit importantly depends on the political work capabilities of the party functionaries who organize and guide the execution of the decisions and directives.

To successfully implement the party's lines, policies, decisions, and directives, the party functionaries should scientifically guide this work on the basis of a correct analysis of the status quo and a correct grasp of assigned tasks and actively organize and mobilize the masses to carry them out by dynamically conducting political and organizational work.

Only when the party functionaries are turned into competent functionaries with a deep grasp of the party's policies, an adroit organizational skill, revolutionary capabilities to push ahead with work, and a multifaceted knowledge can they smoothly realize these demands for implementing the party's policies and successfully guarantee the party's guidance on socialist construction.

Elevating the level of the party functionaries' political practice is an important demand for skillfully executing the assigned policy tasks. If they know little and are low in their qualifications for doing their political practice, party functionaries, though they try to discharge policy tasks well, have only subjective desires, but cannot deal with work in an ingenious manner nor can they achieve substantial success in their work.

With experience and passion alone, the deepening work of the party cannot be carried out well; the developed rural economy cannot be correctly guided; nor can all work be conducted at a high level.

When the party functionaries become competent functionaries with a multifaceted knowledge and skill along with a high political zeal, they can discharge the assigned work better.

Today's realities, in which they are accelerating a new march of the nineties, demand that our party functionaries steadily implement dear Comrade Kim Chong-il's policies and tasks in his classic work and prepare themselves well to be functionaries equipped with a high sense of loyalty and a high level of practical political capabilities.

Comrade Kim Chong-il, member of the Political Bureau Presidium and secretary of the party Central Committee,

has noted: All party functionaries should deeply recognize their weighty responsibility for the party and revolution and make active efforts to constantly elevate the level of their practical political capabilities.

In elevating the level of their practical political capabilities, it is most important for the party functionaries to firmly prepare themselves to be political activists who arouse the masses to implement the party's policies with skillful organizational abilities and revolutionary capabilities to push ahead with work.

Under the outstanding and tested leadership of dear Comrade Kim Chong-il, our party has clearly assumed its traits as a chuche-oriented glorious revolutionary party, and the party's work has been developed onto a higher level.

When they possess skillful organizational abilities and revolutionary capabilities to push ahead with work, our party functionaries can correctly carry out the deepening and developing party work and conduct administrative economic work smoothly.

The most important thing in enhancing their organizational abilities and capabilities to push ahead with work is to firmly arm themselves with the great leader Comrade Kim Il-song's teachings and our party's ideas and policies.

The great leader's teachings and our party's policies delineate central tasks arising in the party's work and economic work in every period, methods for performing them, and the functionaries' directions of work and tasks.

Only when they acquaint themselves well with the principle of the chuche idea and the party's policy tasks can the party functionaries guide the party's work and economic work with skillful political capabilities and organizational abilities, exercise their influence on their work, and carry out whatever task in a timely manner without any difficulty.

Therefore, all party functionaries should intensively study the great leader's works and the party's ideas and policies in every historical period, make the profound idea in them their own, and acquaint themselves with the policy tasks assigned to their fields and units.

Along with this, the party functionaries should actively learn and follow the shining example of the revolutionary work method and leadership art of the great leader and our party, thus firmly preparing themselves to carry out every task.

Another important thing in enhancing the level of the party functionaries' practical political capabilities is to firmly prepare themselves to be competent functionaries who push ahead with economic work with faith and their own views.

The party functionaries have grown to be the commanding personnel of the revolution who assume responsibility for the important units of the country thanks to the political confidence of the party and the leader.

To reward our party's great confidence with achievements in practical work, the party functionaries should possess economic, scientific, and technological knowledge.

Men see, hear, feel, and accept as much as they know. If they know less and lack economic and technological knowledge, their views cannot but be narrow and their guidance of economic work cannot but be restricted.

For this reason, the party functionaries should be thoroughly prepared economically and technologically to push ahead with economic work with confidence by correctly grasping and analyzing the assigned economic tasks, by correctly taking all conditions and potentials into account, and by mapping out correct measures and methods which conform to concrete realities and the demands and aspirations of the masses.

To this end, all party functionaries should possess chuche-oriented economic theories and knowledge about socialist economic management as stressed in the classic work. Also, they should be well aware of elementary scientific and technological principles, the trends of modern science and technology, and the production, technological processes, and technological means in their sectors.

Another important thing in exalting the level of the party functionaries' practical political capabilities is to prepare themselves to positively carry out every task with creative thinking and initiative.

The party's work is the creative work of arousing the people into the revolution and construction by educating and stirring them. Therefore, the party's work should be conducted in a political manner, the party's way, and the party functionaries' should become competent functionaries who positively organize and execute work with creative thinking and initiative.

To this end, all party functionaries should actively follow and learn the great leader's work method and dear Comrade Kim Chong-il's leadership traits and deeply grasp the chuche-oriented principle of the party's work and the party's work method.

When our party functionaries are firmly armed with the chuche-oriented principle and theory of the party's work and are well versed in the party's practical work, they can boldly design all work, arrange it in advance, discover new things, and push ahead with them.

The initiative of approaching a single problem in various ways and the practical ability to conduct work in a greater variety of ways in addition to those employed in approaching the problem are inconceivable without our party functionaries' high level of practical political capabilities.

By possessing a high knowledge and view of the party's work and a high level of practical political capabilities, our party functionaries should become creative functionaries who are able to deepen and push ahead with the party's work by carrying out all work smoothly and by finding something new even in the masses' ordinary remarks.

We have keenly perceived the justness and vitality of the idea and policy in the classic work through the experience of the work of the Chagang Provincial Party Committee.

To correctly carry out the party's work in conformity with the demands of developing realities, the provincial party committee had to decisively elevate the level of the functionaries' practical political capabilities and creatively push ahead with work. In particular, the party functionaries of the province had to more deeply study the principle and method of the party's work and think of ways for their application to realities.

The provincial party committee has paid deep attention to the work of intensifying study aimed at elevating the level of the party functionaries' practical political capabilities. Whenever the party's important tasks have been assigned, the committee has deeply studied concrete ways to discharge them and has directed great efforts at conducting the party's work by creating experience and generalizing it.

In the same way, the provincial committee has conducted its economic work.

To achieve greater success in cultivating mulberry trees and producing silkworms—an important means in the economic work of Chagang Province and in improving the people's standard of living—the party committee had to be aware of scientific and technological problems concerning the project, and on this basis, carried out the required work of cultivating mulberry trees and producing silkworms and a correct organizational work.

Proceeding from these demands, the party committee came to find ways for expanding the cultivation of mulberry trees and the production of silkworms on the basis of a full grasp of many scientific and technological problems concerning biology, agriculture, and sericulture, including a fundamental principle on the cultivation of mulberry trees and the production of silkworms.

Then, the party committee convened a consultative meeting of the functionaries in the field concerned, taught them a practical method, gave them a technological guarantee, and assigned them the task of producing silkworms in a full-dress manner.

As a result, all cities and counties in the province—including Manpo city and Sijung, Kopung, and Changgang counties—dug hundreds of water collection basins on the tops of mountains, established an irrigational system without power by using underground water, modernized many silkworm rooms, thus increasing the production of silkworms by 1.7 times last year even in such an unfavorable natural climate.

In this manner, the party committee has built numerous small and medium-size power plants along rivers and streams in the province and has supplied the people with many kinds of consumer goods and foodstuffs, producing useful people's consumer goods by utilizing unused local resources in every place.

Indeed, the idea and theory of elevating the level of the party functionaries' practical political capabilities in the classic work become programmatic guidelines with which the functionaries can brilliantly realize the concept and intention of the party and the leader and successfully discharge the assignments.

We will more thoroughly prepare ourselves to be party functionaries with a high spirit of loyalty and a high level of practical political capabilities by constantly discharging the tasks in the classic work, thus fulfilling the honorable mission and duty of being the functionaries of the revolutionary party.

South Korea

Reportage Covering Premier's Meeting in Pyongyang

Seoul Delegation Arrives

SK1610074990 Seoul YONHAP in English 0438 GMT 16 Oct 90

[Text] Pyongyang, Oct. 16 (OANA-YONHAP)—South Korean Prime Minister Kang Yong-hun, North Korea's highest ranking guest from the South since Korea's division, arrived in Pyongyang Tuesday for the second round of high-level talks on lowering tension and extending cooperation for reunification of the Korean Peninsula. Kang and six other delegates, 33 officials and 50 Southern journalists received an enthusiastic welcome on stepping down from the special train that took them from Kaesong to Pyongyang Railroad Station at around 1:20 p.m.

The Southern delegates drove 10 minutes by motorcade from the station to the Paekhwawon Guest House, beside the Taedong River, where they will stay until Friday.

"We came here to relieve pains all Koreans suffer from the division of the fatherland and seek a way for better lives for all of us with realizing free travel, correspondence, exchange and cooperation between the two sides," Kang said in an arrival statement. Reunited with North Korean Prime Minister Yon Hyong-muk at the guest house 39 days after they bid each other farewell in Seoul, when Yon visited the Southern capital for the first round of the historic talks, Kang embraced his communist counterpart. "We heartedly welcome you here," Yon said with broad smile as he gave Kang a bear hug.

The prime ministers will hold talks in the People's Cultural Palace Wednesday and again Thursday behind closed doors to discuss "matters on resolving political and military tension and implementing excharge and cooperation between the South and the North."

The Pyongyang talks are expected to focus on proposals made in their first encounter, in Seoul on Sept. 4-7, and probe for signs of a change in attitude toward each other. But Seoul and Pyongyang are at odds over key issues set by the North as tasks to be urgently solved for smooth dialogue with the South, making it uncertain if there will be any substantial agreement. The three key issues are Korea's membership in the United Nations, the release of South Koreans jailed for visiting the North and suspension of the "Team Spirit" South Korea-U.S. military exercise.

Kang is scheduled to meet privately with President Kim Il-song on Thursday afternoon, shortly after the Southern delegates meet with him. Their meeting attracts special attention as Kang is expected to give kim a verbal message from President No Tae-u that may contain important proposals on reunification of Korea and renew a call for a summit meeting.

Kang said in his arrival statement: "The first step toward improving relations between the South and the North should start with, among other things, mutual respect for, and recognition of, each other's reality." "We should restore a single national community to become one by tearing down the wall of division."

The main goal for the South in the Pyongyang talks is apparently to seek to sign an eight-point basic agreement on improving inter-Korean relations and unifying Korea, divided at the end of World War II.

The South also places emphasis on the North's agreeing to make a clear statement that it has abandoned its policy of communizing the South and recognizes that two Koreas exist side by side on the peninsula divided by the United States and the Soviet Union at the conclusion of World War II in 1945.

Kang had presented a draft agreement in Seoul, but made little progress in his discussions with Yon. The draft calls for mutual recognition of and respect for each other's system, renunciation of mutual slandering and vilification, peaceful solution through dialogue and negotiation of disputes or differences, renunciation of any attempts to destroy or overthrow each other's government and joint efforts to realize exchange and cooperation, open each other's society and restore bonds of kinship.

As concrete steps to improve ties, Kang is expected to call for reunions of dispersed families, direct trade, free access to the other side's radio and television programs, newspapers and other publications, establishment of permanent representatives in Seoul and Pyongyang, and forming joint military and economic cooperation committees.

The North is expected to renew its three demands, including a call for the suspension of the "Team Spirit" drill.

The talks are unlikely to make progress unless the North shows a little flexibility, even though the South has said it will positively consider reviewing the North's demands in exchange for a clear statement that the North has abandoned its policy of communizing the South and recognizes that two governments exist on the Korean Peninsula.

Analysts in North Korea said there may be agreements as the two sides made the same proposals on some issues in the Seoul talks, including the opening of a hotline between military authorities of the two parts, renunciation of mutual slander, a non-aggression declaration and making the Demilitarized Zone (DMZ) a peace zone. Kang also said in his statement: "Both sides' proposals have points in common as well as differences, but we must do our best with an attitude of mutual respect, concession and understanding to concretely realize shared proposals while narrowing gaps on contested proposals."

Kang crossed the military demarcation line in the truce village of Panmunjom earlier in the day and drove to Kaesong, where a special train brought him to Pyongyang. Kang and his delegation were greeted with enthusiasm by tens of thousands of North Koreans, waving and chanting reunification slogans, as they traveled from Panmunjom to Pyongyang. The Southerners, after a brief rest, were to inspect the room where the talks will be held, watch a North Korean movie and attend a circus later in the day. They will be guests at a dinner hosted by the North Korean prime minister in the evening.

Pyongyang Citizens 'Cool'

SK1710022190 Seoul THE KOREA TIMES in English 17 Oct 90 p 2

[Report by correspondent Kim Chang-yong]

[Text] Pyongyang—Despite the warm welcome given to the South Korean delegation by North Korean Prime Minister Yon Hyong-muk, Pyongyang citizens were "unexpectedly" cool in receiving their first South Korean government visitors.

There were not many well-wishers on Pyongyang streets. It was in sharp contrast with the enthusiastic welcome they showed to the South Korean soccer teams and music delegation.

North Korean guides explained that it was because the South Korean government did not take any measures in response to the North's call for the release of student Yim Su-kyong and pastor Mun Kyu-hyon, who are in prison for their "unauthorized" visits to Pyongyang last year.

South Korean Prime Minister Kang had a chat with Yon for five minutes upon arrival at the government guest house, Paekhwawon, at 1:35 p.m. yesterday.

Yon said, "We wholeheartedly welcome your arrival." Kang thanked the North Koreans for their preparations in receiving the southern delegation. "I realized on the way to Pyongyang that North Koreans cleaned the streets to receive us," said Kang.

Yon said, "I realized through the Seoul visit that the distance between Pyongyang and Seoul is not as far as expected."

The two prime ministers burst into laughter when Kang joked to Yon, "Your mind must not have changed, though other people's minds easily change."

Kang looked up at the painting of Yaksan, his hometown, and said. "I used to climb the mountain during my school day. The azaleas there were beautiful."

Looking at the paintings of Mt. Kumgang (Diamond), the prime minister from the South told Yon that he has never been to the mountain.

"I hope you will be able to visit there next time," Yon told Kang.

Impromptu Interview

During his journey to Pyongyang on board a special train, Prime Minister Kang had an impromptu interview with a reporter from the North Korean Central Broadcasting Co.

Asked about the chances for the release of Miss Yim Su-kyong, jailed for her unauthorized visit to Pyongyang last year, Kang said that the two sides should respect the other's political system.

He argued it is not right to "interfere into domestic affairs of another country (for your side) to take issue with the punishment of a person who violated South Korean laws."

As the North Korean reporter persisted in asking questions, An Pyong-su, spokesman for the northern delegation, interrupted him, saying, "That's enough now."

Meanwhile, Yi Chin-sul, deputy economic planning minister of the South, had talks with Kim Chong-u of the North in another car of the train.

Yi told Kim, "Those who handle economic matters have little to do because of political and military problems."

Kim replied, "Economic problems will be solved after military and political questions are settled."

The train made the 160 kilometer trip from Kaesong to Pyongyang in about three hours and 40 minutes.

North Korean reporters were busy meeting southern delegates and support personnel, in hopes of getting a good story.

Most of the North Korean guides and reporters showed keen interest in the fate of Miss Yim. One of them said, "We thought she would be released before the Pyongyang talks."

Prime Ministers Open Talks

SK1710014390 Seoul YONHAP in English 0129 GMT 17 Oct 90

[Text] Pyongyang, Oct. 17 (OANA-YONHAP)—The prime ministers of South and North Korea opened their second round of talks on lowering tension and promoting exchanges and cooperation for unifying the divided Korean Peninsula in Pyongyang Wednesday.

Prime Ministers Kang Yong-hun of the South and Yon Hyong-muk of the North outlined their positions on inter-Korean issues in the first session of their talks in the People's Cultural Palace. The seven delegates from each side had free discussion in the meeting, which was open to the media, on "matters on resolving political and military confrontation and implementing exchanges and cooperation between the South and the North."

The two delegations will hold the second session of the talks behind closed doors and are expected to issue a joint statement or respective statements later in the day.

On Tuesday, Kang proposed that South and North Korea push exchange visits of people aged 60 or above for family reunions.

"The most urgent issue facing us is to enable the members of dispersed families to reunite with their long separated loved ones... We, the authorities of the South and the North, must never turn a blind eye to their anguished desire for reunion," Kang said in a speech at a dinner hosted by his opposite number. "If it is difficult to promptly allow all separated relatives to visit each other, we propose that at least elderly people aged 60 or more be first allowed to visit their native communities for family reunions."

Kang called for direct inter-Korean trade and other exchanges in various fields. "Economic exchanges are no less important than cultural, athletic and humanitarian exchanges... From now on, the South and the North should pursue active direct trade with each other to supply each other's needs without going through third countries," Kang said. "Mutual trust will naturally grow if human exchanges, trade and travel between the two parts of Korea are accelerated. When trust is built, I am confident that all issues, no matter how difficult, can be resolved step by step."

In his dinner speech, the northern premier called for early resolution of the political and military confrontation between South and North Korea, and said both delegations should work to clear confrontation, ease tension, remove the threat of war and secure peace. "Now is the time for us to make a right choice between war and peace, and between confrontation and unity," Yon said.

Kang, with six other delegates, 33 officials and 50 journalists, arrived in Pyongyang Tuesday as the North's highest ranking guest from the South since national division in 1945. He spent the first night at Paekhwawon Guest House, which is usually reserved for heads of state.

The welcoming mood in Pyongyang was not as warm as expected, apparently reflecting the North's displeasure over the South's stand on key issues such as the North's call for the release of South Koreans jailed for visiting Pyongyang, a Southern official said.

Official Assesses Pyongyang Talks

SK1710093890 Seoul YONHAP in English 0923 GMT 17 Oct 90

[Text] Pyongyang, Oct. 17 (YONHAP)—The South Korean delegation to the inter-Korean prime ministers talks was impressed by the "forward-looking" attitude of the North Korean prime minister and his willingness to accept some of the South's demands, such as conclusion of an agreement to suspend mutual slander and vilification, southern-side spokesman Yim Tong-won said Wednesday.

In a statement released after the first session of the prime ministers talks at the People's Cultural Palace Wednesday, Yim said other grounds for his assessment were the North's idea of drawing up an agreement that is forward-looking and practical as well as its adjustment to the South's proposal for an eight-point agreement made in Seoul with three principles that it proposed be observed in the talks.

Yim, chancellor of the Institute of Diplomacy and Security Research, told reporters that Seoul had a three-point task to realize reunions of members of dispersed families and get the North to respond to economic trade and cooperation. The South has urged the North to correct its policy of denying the South's entity and open an era of reconciliation and cooperation as well as improve South-North relations, Yim said.

The southern delegation would try to make the best of the historic opportunity it had by opening an era of cooperation and reconciliation to finally achieve peaceful national unification, Yim said, ending his briefing without taking questions.

North Korean spokesman An Pyong-su, in a separate press briefing, said the North was willing to accept some southern demands and had proposed simultaneously pushing ahead with the question of ending military confrontation and beginning exchanges.

When the two premiers met in Seoul last month, the South put priority on realizing inter-Korean exchanges to build trust while the North wanted to directly deal with the military confrontation to resolve tension between the two parts of Korea.

An said the North's proposal in the morning session that the two sides adopt a non-aggression pact was another example of its progressive attitude.

"This question (of a declaration) has been raised by the South since President Pak Chong-hui's government. President No Tae-u made a remark on it in the United Nations. I think both sides will surely come to an accord on this in the current talks," the North Korean spokesman said.

He accused southern Prime Minister Kang Yong-hun, however, of making "improper" remarks about the North Korean media. Kang had said the coverage of the Seoul talks was partial in that the North Korean media reported the North's proposals in detail but gave little attention to the southern positions.

"The South also took issue with the question of recognition of 'entity.' But the South should amend its Constitution before it asserts our recognizing its existence as, under the Constitution, the Korean Peninsula wholly belongs to the South," the northern spokesman said.

Asked if the North's attitude had changed on its "three issues to be urgently settled for smooth dialogue"—including the release of South Koreans jailed for visiting North Korea and suspension of the "Team Spirit" South Korea-U.S. military exercises—he said further high-level talks would be impossible without resolving them.

On the prospect of an agreement to install a hot line between the military authorities, he virtually denied it, saying, "It is nothing more than a way to delay the question of national unification."

Prime Minister's Dinner Speech

SK1710030390 Seoul THE KOREA TIMES in English 17 Oct 90 p 2

[Prime Minister Kang Yong-hun dinner speech in Pyongyang 16 October]

[Text] Mutual distrust must be the main reason for the confrontation we now experience despite the wave of reconciliation now sweeping the world. One of the greatest stumbling blocks to exchanges and cooperation must be our present state of mind our denial of each other's existence and our cautious attitude toward each other.

What is urgently needed is for us to think about how we can thaw our frigid relations and shape a better future together. To that end, the urgent task is to restore trust. To do that, we should met each other more often and talk more freely, thus deepening mutual understanding and recovering national homogeneity.

I was deeply impressed by the Asian Games in Beijing. South and North Korean athletes mingled together like brothers and sisters and the cheer-leaders from the two sides combined when the teams were competing with third nations.

Here in Pyongyang, a unification soccer match was held only last week, and I understand that a unification concert is now underway with participants from the South and the North, as well as overseas. These events make us proud, and we expect that there will be a continuous series of similar events in the athletic, cultural and academic fields as well as in many other areas.

The South Korean Government has already allowed its people to freely travel overseas to open a new era of national pride and prosperity. Thus our citizens are now everywhere in the world in all the socialist countries, including the Soviet Union, China and the East European nations, as well as in Southeast Asia, Japan and Europe.

I hope and expect that free travel between the South and the North will become a reality at the earliest possible date so that people from both sides can visit such scenic mountains as Paektusan, Kumgangsan, Hallasan and Soraksan, as well as the present capitals cities of Seoul and Pyongyang and the ancient capital of Kyongju, Puyo and Kaesong.

The most urgent issue facing us is to enable the members of dispersed families to reunite with their long separated loved ones.

We, the authorities of the South and the North, must never turn a blind eye to their anguished desire for reunions. If it is difficult to promptly allow all separated relatives to visit each other, we propose that at least elderly people aged 60 years or more be first allowed to visit their native communities for family reunions.

Economic exchanges are no less important than cultural, athletic and humanitarian exchanges. The Republic of Korea has now grown into the 10th largest trading nation in the world.

Our exports totaled US$62.3 billion last year and are expected to hit US$66 billion this year. While we are trading with numerous countries around the world, we are chagrined by the fact that we have to import resources from faraway lands even when they are abundantly available in the northern half of our land. From now on, the South and the North should pursue active direct trade with each other to supply each other's needs without going through third countries. This does not mean that one side should simply help the other but that each side should complement the other to promote the prosperity of our people, who are one.

Mutual trust will naturally grow and grow if human exchanges, trade and travel between the two parts of Korea are accelerated. When trust is built, I am confident that all issues, no matter how difficult, can be resolved step by step.

Seoul Takes 'Harder Tone' Toward North

SK1610014990 Seoul THE KOREA TIMES in English 16 Oct 90 p 2

[Report by Kim Chang-yong]

[Text] South Korea's strategy toward the North seems to have recently taken on a harder tone as the result of Pyongyang's approaches to Japan for help for its faltering economy.

Seoul is expected to push the North rather than offer some compromise proposals as a test of its reactions this time, while still retaining its commitment to financial assistance in return for a Seoul-proposed summit meeting between Presidents No Tae-u and Kim Il-song in a sort of "carrot and stick" policy.

In the first round of prime ministers' talks on Sept. 4-7, Seoul accepted the North's proposal for talks on the United Nations admission and agreed to delay its application for UN membership until the end of the working-level talks.

The South showed some signs that the annual South Korea-U.S. military exercise would be scaled down from next year as a sort of compromise with Pyongyang's repeated calls for an end to Team Spirit though it remained aloof to the North's demand for a release of last year's three unauthorized visitors to the North.

All the softened stances were designed to for the prime ministers' talks to lead to a No-Kim summit. [as published]

"The purpose has not changed at all till now but the South's strategy and tactics for arranging a summit has subtly altered," one observer said.

In this context, South Korean officials are trying to cool down expectations for the Pyongyang talks and regard them as nothing more than ceremonial like the first Seoul sitting.

For one thing, they have boldly warned of Seoul's shift of policy with regard to UN membership since Vice Foreign Minister Yu Chong-ha public statement on its shortly after the normalization of Seoul-Moscow ties on Sept. 30.

Yim Tong-won, spokesman for the Seoul delegation to the prime ministers' talks, told The Korea Times last Friday, "We will apply for UN membership if the North shows during this meeting that it has not changed its revolutionary policy for the 'liberation' of the South and reluctance to join the world body."

The UN issue is so delicate as to bound the North to the prime ministers' talks. If the South attains UN membership, it will bring the on again, off again dialogue to an end, freezing Seoul-Pyongyang relations for a long time," the observer said.

But Yim maintained that Seoul could open North Korean society and bring reforms to the isolated regime by going for UN membership ahead of Pyongyang. "When we get a UN seat, the North will have no option but to follow our lead and comply with the worldwide wave of openness and reforms."

A leading strategist viewed, "Even if we entered the UN despite the North's strenuous objections, they will not be cut off from all channels of dialogue with us as it now appeases growing complaints among the people on the issue of the inheritance of power and staunch communist rule by using reunification fervor."

The exchange of soccer teams and the invitation of South Korean musicians are a part of the North's efforts to divert complaints from South-North relations, he explained.

South Korea's change of strategy might be timed with Kim Il-song's proposal for early normalization of formal relations with Japan on Sept. 27, which North Korea watchers here believe was prompted by Soviet plans to suspend economic aid and military supplies and demand hard currency for its oil.

Soviet Foreign Minister Eduard Shevardnadze formally informed his North Korean counterpart Kim Yong-nam of the plans on Sept. 2 as well as the then planned diplomatic links between Seoul and Moscow, apparently displeasing Kim who denied Shevardnadze a courtesy call, the watchers said.

Seoul is, meanwhile, checking the Japanese government from fully living up to an agreement between the North Korean and Japanese ruling parties in Pyongyang late last month. It sees that the large sum of compensation offered for Japan's colonial rule of the North, may inject vigor into the North Korean economy and enhance Pyongyang's voice n inter-Korean dialogue.

President No told the South Korean delegates yesterday to keep "their principles" in negotiating with Pyongyang while showing flexibility on minor problems.

"The North is in a crucial economic pinch, more crucial than at first thought it to be. By driving the North further to the corner politically, we will be able to open its society and become a responsible actor on the international state," said one delegate to the prime ministers' talks, according to observers.

Seminar Participants View 'Northern Policy'

SK1410032390 Seoul CHOSON ILBO in Korean 10 Oct 90 p 4

[From "News Behind News" column]

[Text] On 9 October at the Shilla Hotel, an international seminar on "Perestroyka and Turning Point in ROK-USSR and ROK-U.S. Relations" was hosted by the U.S.-USSR Institute of Tanguk University.

In this seminar, Lawmaker Pak Chol-on (Democratic Liberal Party) made a keynote speech with Arbatov (director of the United States of America and Canada Institute under the USSR Academy of Sciences) and Dr. Sigur (former U.S. assistant secretary of State for East Asian and Pacific Affairs).

Speaking on the "Present Situation and Prospects for the ROK Northern Policy," lawmaker Pak stated: "Tasks for our Northern policy which is in the middle of its second stage are to establish diplomatic relations with all socialist countries, hold North-South summit talks, and achieve North-South free travel. This will be realized before President No Tae-u's term in office expires in February 1993."

Lawmaker Pak emphasized: "In the future northern policy, relations with the Soviet Union, China, and North Korea must be carried out in a general and parallel way. Especially, all proposals made by the North side including political and military issues will be accommodated resolutely, and active policies to reconcile with North Korea will be promoted."

In a speech on "Perestroyka and Soviet Diplomacy in the Asian and Pacific Region," Dr. Arbatov emphasized that the establishment of diplomatic relations between the ROK and the USSR will be of help to both countries. He stated: "The Soviet Union is making efforts so that the Korean Peninsula issue can be resolved in a peaceful and mutually cooperative way."

Dr. Sigur said: "The U.S. view on the ROK's northern policy is first of all to abide by the promise to safeguard the ROK with regard to the Korean Peninsula issue and second that the northern policy will contribute to the reunification of the Korean peninsula." He added: "As long as four preconditions such as giving up terrorist acts that were proposed by the United States in October 1988 are not fulfilled, there will be no change in our policy toward the North."

N-S Film Festival Closes on Positive Note

SK1510070190 Seoul YONHAP in English 0635 GMT 15 Oct 90

[Text] New York, Oct. 14 (OANA-YONHAP)—The first inter-Korean film festival came to a close Sunday evening amid promises to build trust and reconciliation between South and North Korea.

Kang Tae-son, leader of the South Korean delegation, told the more than 1,000 people at the closing ceremony the five-day event had reaffirmed that the 70 million citizens of South and North are one people.

Om Kil-sun, Kang's North Korean counterpart, echoed the Southerner's sentiments, saying that the biggest achievement of the festival was the bonding of movie executives from South and North Korea.

Both vowed to continue exchanges between Seoul and Pyongyang, with Kang pledging to do his best to hasten

national unification and Om promising to enhance mutual trust and cooperation through joint efforts between Seoul and Pyongyang.

Lively performances of "Samulnori" (traditional Korean music played on percussion instruments) followed the closing ceremony, and actors and actresses from both sides joined in a chorus as the mostly Korean audience sang along.

The organizers announced earlier that they had agreed to hold the New York inter-Korean film festival every two years and to meet in the truce village of Panmunjom in November to work out the details.

In addition to the biennial New York event, they also agreed to hold a separate inter-Korean film festival alternately in the South and North Korean capitals. The first event will be in Seoul in conjunction with the 29th Grand Bell Award festival in February, and the next in Pyongyang together with the fifth nonaligned nations film festival in September.

Possible U.S. Troop, Base Move Protested

SK1710013190 Seoul THE KOREA HERALD in English 17 Oct 90 p 3

[Text] Pyongtaek, Kyonggi-to—Some 500 students and citizens gathered on a college campus near this city to express their opposition to the possible relocation of the U.S. military compound from Seoul's Yongsan to this city.

In an open letter to the government authorities including foreign and defense ministries, the ralliers demanded that the government rescind its "plan" to move the Yongsan military base to the small city.

A representative of the protesters, Catholic priest Yi Chae-pok, said that a drive to collect 10,000 signatures from Pyongtaek citizens has been in progress to protest the relocation of the Yongsan compound.

Yi claimed that about 4,000 signatures have already been gathered.

Yi insisted that the government is implementing the U.S. military base relocation plan without consulting with Pyongtaek citizens.

The protesters asked the government whether it really will move the U.S. Army base to their city and what impact the move will have here. They demanded that the government answer their questions by Oct. 30.

The government and the U.S. military authorities have yet to make public the new site of the Eighth United States Army (EUSA) compound.

Many dissident groups here have been protesting the "rumored" relocation of the Yongsan base, saying that it would bring "decadent" U.S. cultures to the city.

Embassy Report on Possible U.S. Trade Pressure

SK1510032390 Seoul YONHAP in English 0222 GMT 15 Oct 90

[Text] Washington, Oct. 14 (OANA-YONHAP)—The United States feels South Korea is retreating from its promised market liberalization and may heighten trade pressure early next year, a Korean embassy report said Sunday. The report said the Korean Government was seen as "uncooperative" in the Uruguay Round multilateral negotiations on the agricultural sector.

The United States had rejected requests to acknowledge the non-trade roles of farming such as ensuring food security, environment conservation, and balanced national development, and instead was urging Seoul to abolish subsidies, such as the export support fund, within five to 10 years, it said.

The report was compiled from talks with leading trade authorities here, including Roger Porter, economic and domestic policy adviser at the White House, Sandra Kristoff, assistant U.S. trade representative, and Richard Solomon, assistant secretary of state for East Asia and Pacific affairs, embassy officials said. It was submitted to a six-member Korean delegation, led by former trade and industry minister Han Sung-su, here to assist in resolving Uruguay Round issues.

Seoul is rescinding bilateral trade agreements, exemplified by readopting an export drive in its economic policy, delaying customs tariff reductions, restricting imports of extravagant consumer items and setting beef import quotas.

U.S. officials, referring to Korean news reports, said a national drive against profligate consumption had caused sales of U.S.-made ford automobiles to drop while Korea's Hyundai cars were freely competing in the U.S. market. Import sections in department stores in Korea are suffering slow sales and face closure, the U.S. officials were quoted as saying.

The United States will not take any direct action while the Uruguay Round is under way this year, but may take up the issue seriously next year, the report said. The Korean delegation is to meet with Secretary of Commerce Robert Mosbacher and U.S. Trade Representative Carla Hills on Monday afternoon to explain Seoul's economic situation and its stance in the Uruguay Round negotiations.

Economic Talks Held With French Delegation

SK1510040890 Seoul YONHAP in English 0402 GMT 15 Oct 90

[Text] Seoul, Oct. 15 (YONHAP)—South Korea and France discussed ways to increase their industrial links in the seventh annual joint economic committee meeting in Seoul Monday. High on the agenda were France's scrapping of quotas on the Korean imports, transfer of chemical, machinery and aerospace technology from

France to Korea and revocation of credit limits for the Korea Exchange Bank in Paris.

Seoul asked Paris to remove import controls on automobiles while Paris asked that its Train a Grande Vitesse (TGV) system be adopted for the Seoul-Pusan high-speed railroad. Yi Ki-chu, assistant foreign minister for economic affairs, led the Korean delegation, while Jacques Des Pont, an exterior economic relations director, headed the French side. The talks conclude Tuesday.

France Agrees To Ease Quotas

SK1710012190 Seoul YONHAP in English 0059 GMT 17 Oct 90

[Text] Seoul, Oct. 17 (YONHAP)—France agreed on Tuesday to ease import restrictions on South Korean toys and other manufactured goods, an official of the Foreign Ministry said.

In the Korea-French consultative meeting in Seoul, the French side agreed to end quotas on Korean-made toys, umbrellas, parasols, digital watches, tableware, radio and television parts and some textiles, the official said. They promised to lower the import barrier against Korean automobiles in the near future, he said.

France will transfer at least one sophisticated technology to Korea and positively cooperate in training technicians in the small- and medium-sized corporate sector, he said. The French side asked the Korean side to cooperate in its bid to take part in the projected high-speed railway project, he said.

Company Considers Operating Stores in USSR

SK1610013890 Seoul THE KOREA TIMES in English 16 Oct 90 p 9

[Text] Sunkyong Limited, the trading arm of the Sunkyong Business Group, is making brisk moves to find market opportunities in the Soviet Union, buoyed by the establishment of diplomatic ties between Seoul and Moscow that took place on Sept. 30.

The company hosted a reception to commemorate the opening of its Soviet branch in central Moscow on Monday and will hold a four-day exhibition of mostly consumer products Oct. 16-19.

About 25 top executives of the Sunkyong group, including Yi Kang-sae, vice president of Sunkyong Limited, are visiting the Soviet Union to have a broad range of contacts with Soviet business leaders, the company said.

Their activities will include business negotiations to put Sunkyong's forays into the Soviet Union on the fast track, officials said.

Sunkyong, shying away from its previous strategy of focusing on commodity exports, is reportedly considering direct investment in the country including the operation of department stores.

Sunkyong has had resident officials in Moscow since last April.

'Three China's' Membership in APEC Discussed

SK1510131890 Seoul YONHAP in English 1306 GMT 15 Oct 90

[Text] Seoul, Oct. 15 (YONHAP)—South Korea and China are discussing through an unofficial diplomatic channel China's participation in the third Asia-Pacific Economic Cooperation (APEC) session to be held in Seoul in October 1991, a government official said Monday. "Consultations on China's participation as a full member in the APEC meeting have already gone under way between the two governments at a third place and the two sides are now discussing when and where to start official negotiation on the issue," said the official who preferred to remain anonymous.

In the second APEC ministers meeting in Singapore on July 30-31, Korea, which will chair the third meeting in Seoul, was given the right to negotiate the participation of the "three Chinas"—China, Taiwan and Hong Kong.

"The ongoing unofficial contact has been devoted to the issue concerning China's membership of the APEC. But in the official negotiations to come, a good many of pending bilateral issues will be talked about, including improving mutual ties," he said. He did not reveal where the unofficial contact is being made. But, according to other sources, the Korean consulate general in Hong Kong and the Hong Kong branch office of the Chinese official XINHUA News Agency are tipped as possible windows for the consultation.

As for the level and the venue of the envisaged official negotiation, he said, "A high ranking official of the foreign ministry is likely to head each side, and it is now under study to hold the negotiation either alternately in Seoul and Beijing or in trade offices to be exchanged soon between the two capitals.

Meanwhile, working-level officials of the 12 member nations will gather at Seoul's Shilla Hotel on Oct. 22-23 to discuss preparations for the third APEC meeting, according to a foreign ministry official. During the preparatory meeting, focus will be given to the matters concerning the participation of the "three Chinas" in the APEC and expansion of seven joint projects.

APEC, founded in November 1989, groups Japan, the Philippines, Indonesia, Malaysia, Brunei, Thailand, Singapore, Australia, New Zealand, Korea, the United States and Canada.

Prospects for Trade With Iran Improve

SK1710032490 Seoul YONHAP in English 0258 GMT 17 Oct 90

[Text] Seoul, Oct. 17 (YONHAP)—Iran is likely to emerge as South Korea's newest market in the Middle East, and business sources say prospects are good as the Islamic nation is promoting direct trade with Korea.

Trade between the two countries has been chiefly via Dubai, a port in the Persian Gulf, but Iran is very friendly and has a high interest in the quality and price of Korean goods, according to the sources. Because Iran's economy has improved substantially since the end of its eight-year war with Iraq and because of the recent surge in crude oil prices, there are good chances for Korean companies to participate in rehabilitation projects, they said.

At an international exhibition in Tehran last month, 15 Korean companies signed contracts for 3.786 million dollars worth of eye glass frames, polyester fabrics and other products. They expect favorable growth for exports of steel products, textiles, electric devices, chemicals, plastics and machinery, while sales of auto parts and mineral fuel could become sluggish.

Korea's exports to Iran increased sharply this year. The figure for the first seven months was 263.99 million dollars, surpassing exports for all 1989 of 214.86 million dollars. Imports from Iran were estimated at 615.9 million dollars in 1989 and 330 million dollars in January-July this year.

GATT Secretariat Presses for Offer List

SK1610074090 Seoul YONHAP in English 0657 GMT 16 Oct 90

[Text] Seoul, Oct. 16 (OANA-YONHAP)—South Korea will propose a package of agricultural subsidy reductions in the "offer list" required by the Uruguay Round, instead of listing cuts item by item, the Agriculture, Forestry and Fisheries Ministry said Tuesday. The ministry will have a draft ready by Saturday, after the Oct. 15 deadline but a week earlier than it had expected, officials said.

Kim Chong-yong, director of the ministry's International Cooperation and Trade Bureau, told a public hearing that the offer list, outlining the timetable for reduction of government subsidies for farmers, would contain an overall plan for the entire market instead of proceeding item by item. He confirmed that nine items, including rice, barley and beef, will be excluded from an import liberalization list as NTCs (Non-Trade Concerns).

Tuesday's hearing was first of the series planned on the Uruguay Round agricultural negotiations, mainly on abolishing state supports, lowering tariffs and easing other import barriers.

Korea is also to submit a "country list," which enumerates agricultural products under import restriction, and the export subsidy and tariff rate for each item. Based on the country list, the deadline for which was Oct. 10, Seoul must also present the offer list, detailing how it will abolish or lower the subsidies and tariffs.

Ministry officials said the government had planned to submit the lists toward end of this month but will have to hand them this week because pressure from the GATT Secretariat. Kim said the nine items named a week ago—rice, barley, soybean, corn, beef, pork, chicken, milk and eggs—will stay on the purchase restriction list. Import liberalization for other items will be carried out gradually over several years, together with tariff cuts.

The public hearing was attended by agricultural leaders and ministry officials as part of a collective effort to stave off the shock if the Uruguay Round, a side arm of GATT that could pry open goods and service markets worldwide, touches Korean farmers.

Student Organization Leader Explains Plans

SK1710001790 Seoul TONG-A ILBO in Korean 16 Oct 90 p 14

[Text] In an interview at 0900 today at Konguk University, Seoul, Song Kap-sok, the 24-year-old senior student majoring in trade at Chonnam University and chairman of the National Council of University Student Representatives [Chondaehyop] who is on a police wanted list, explained Chondaehyop's position on such current issues as the Defense Security Command's [DSC] surveillance on civilians, the second round of South-North High-Level Talks, the South-North reunification soccer game expected to be held in Seoul, and President No Tae-u's declaration of war on crimes.

In his interview, Song said: "The DSC's spying on civilians plainly indicates that the current regime regards the entire population of 40 million as an enemy. The Chondaehyop will devote all its resources and energy to a struggle aimed at dismantling such intelligence agencies as the DSC and the Agency for National Security Planning."

He continued: "Toward this end, the Chondaehyop will actively escalate nationwide the hunger strike staged by the presidents of university student bodies and students put on the DSC's list of those who are under its surveillance in Seoul, Pusan, and Kwangju. We also plan to carry out surprise raids on the branches of the DSC and the Agency for National Security Planning in various cities and stage a struggle to occupy them."

In connection with the South-North reunification soccer game scheduled to be held in Seoul on 23 October, Song said: "The Chondaehyop will hold a "meeting of Seoul citizens" jointly with the South Side's Committee for the

Promotion of Pan-National Conference at Hanyang University on 22 October to welcome the North side's soccer teams. We formally invite the North side's soccer teams to this meeting."

He added: "Our plan is to have all the members of the Chondaehyop across the nation assembled in Seoul on 22 October for the "welcome meeting" and then have them purchase tickets to the soccer game and root for both the South and North soccer teams in the Chamsil ground on 23 October."

Study Reveals Effect of Birth Control Campaign

SK1610021090 Seoul YONHAP in English 0152 GMT 16 Oct 90

[Text] Seoul, Oct. 16 (YONHAP)—South Korean economists predict that the biggest beneficiaries of a steady increase in the size of the working-age population over the next 10 years will be the nation's production and service industries. They forecast an average 1.7 children per family until the year 2020, when zero population growth will be achieved, and an increase in the proportion of senior citizens.

In a report released Tuesday, the Economic Planning Board (EPB) projects a shift away from the pyramid-shaped population charts of the 1960s to a diamond shape for the 1990s. The EPB report said the working-age group, that part of the population aged from 15 to 64, will make up 72 percent of the total by 1995, up from 54.8 percent in 1960 and 69.4 percent in 1990. Thirty years of a government-led campaign for birth control has cut the number of children aged 14 or below to 25.9 percent, from 42.3 percent in 1960, and is likely to further reduce the number to 16.5 percent by 2020, it said.

Extended life spans will increase the number of people aged 65 or over from 2.9 percent of the population in 1960 to 11.5 percent in 2020. The life span for men will be 72.6 years in 2020, up 5.7 years from 1990, and for women 79.4, 4.5 years more, the report said. Population growth, currently 1 percent, will reach nearly zero in 2020 with a population of around 50.2 million, compared to 46.8 million in the year 2000 and 42.8 million this year. The number of elderly people, however, will rise 3.5 percent by 2020 to approximately 5.75 million.

The birth control campaign has cut the number of elementary and junior high schoolers by 544,000 to 7.9 million over the last five years, and the number of senior high schoolers diminished by 102,000 to 2.6 million, the report said.

Budget Marks $35 Million for S-N Trade

SK1610090390 Seoul YONHAP in Englllish 0854 GMT 16 Oct 90

[Text] Seoul, Oct. 16 (OANA-YONHAP)—South Korea will set aside 25 billion won (35 million U.S. dollars) next year to support direct Seoul-Pyongyang trade, officials said Tuesday. The money will also be used for civilian and cultural exchanges, they said.

"Direct South-North trade could begin if the inter-Korean premiers' talks proceed smoothly," an official said on condition of anonymity. "The Seoul Government hopes to compensate South Korean companies for losses in business dealings with the North."

Of the cash, 5 billion won is for economic exchanges, 3 billion won for people exchanges and 6 billion won for cultural exchanges, with the rest saved for emergency use, he said. The government may also issue "reunification bonds" to expand the account and attract private-level input.

South-North trade, mostly indirect, amounts to approximately 60 million dollars a year and major shipments are minerals, marine and agricultural products. "When direct trade does begin, we expect a substantial cut in expenses," he said.

* MND Studying Civilianization of Key Personnel

902C0327 Seoul TONG-A ILBO in Korean 30 Aug 90 p 5

[Article by reporter Cho Song-ha: "Background of the Push for 'MND Civilian System'"]

[Text] The Ministry of National Defense [MND] is currently pushing for an "MND civilian system," which is designed to transfer significantly large parts of the defense administration, heretofore centering on uniformed personnel, to senior-grade civilian officials with expertise so as to promote its specialization and civilianization.

In industrialized democracies such as the United States and West Germany, major defense administration posts are mostly manned by high civilian officials with expertise. Therefore, in a nutshell, the civilian system plan under study can be seen as an attempt to reform the nation's defense administration by introducing the U.S. Department of Defense style.

To that end, the MND last year asked the Korea Institute for Strategic Studies [KISS] (headed by General Hong Song-tae, retired) to conduct research on the adoption of a civilian personnel system. The institute recently reported to MND the result of the research, concluding that the adoption of an MND civilian system is essential in order to promote specialization of the defense administration and correct a variety of problems in the current defense personnel management system.

In its report on the "research of defense administration civilianization plan for the 2000's," KISS notes that presently, about two thirds of the senior-grade posts in the MND Headquarters are occupied by uniformed personnel—e.g., bureaus and sections run by general officers and colonel-level officers in active service

respectively. This, says the report, prevents general-service civilian officials from being promoted to high posts, creating a barrier to securing the required civilian experts.

At the same time, the KISS report points out that since uniformed personnel normally serve 1 to 2 years in one post before transferred to another, it is impossible to expect specialization of operations under the present system.

It also notes that in the case of military draftees, their generally low education levels make it difficult for them to effectively perform combat support duties that are becoming increasingly specialized and scientific, and that abuses of the special appointment system have caused most of the high-grade posts to be occupied by discharged officers, creating a chaotic situation in which personnel are deprived of due opportunity for promotion.

With a view to resolving these problems, the report says, there is an urgently need to change the status of MND workers and make them government officials of a special category (MND civilian officials) similar to those applied to foreign ministry and police officials.

At present, MND workers number 1,788 in total—1,121 general-service government officials, and 667 uniformed personnel including 308 officers and 359 enlisted men (figures based on 1988 statistics). Although civilians account for a larger portion numerically, key posts are mostly occupied by general officers and field-grade officers in active service.

Of the 19 bureau chief-level or higher posts—the three posts of the first and second assistant vice ministers for planning and operations and 16 bureau chief-level posts (nine officer-in-charge posts and seven bureau chief posts)—only five posts (the director of the office of planning and operations, the officer in charge of budget compiling, the officer in charge of evaluation and analysis, the director of the finance bureau, and the inspector general) are manned by general-service civilian officials. The other 14 posts are occupied by uniformed personnel such as lieutenant generals, major generals, brigadier generals and a colonel (public information).

Meanwhile, of the present 93 section chief posts in the MND Headquarters, only 32 are taken by general-service civilian officials, 60 by uniformed military officers and one by a military draftee.

On the other hand, there are far more general-service civilian officials than uniformed personnel working as chief clerks and in lower positions. This kind of setup, some people argue, has a functional merit under the existing condition that our country is inferior to North Korea in military power. Within the MND, however, there are criticisms that it induces military-leaning policy decisions and is indirectly causing low morale among civilian employees and eventually a tendency to shun employment with the MND.

In the United States, major duties in the Department of Defense are mostly assigned to civilian officials under the principle that provides for preferential use of civilians except for posts that require being filled by active service military personnel.

In West Germany, too, civilian officials are placed in most of the key defense administration posts including policy-making posts. Also, in Japan, most of the Defense Agency posts are manned by civilian officials.

KISS Director Hong Song-tae said, "Currently, authorities are pushing for the creation of a new office of the Joint Chiefs of Staff to ensure the efficiency of joint operations of the army, navy and the air force and a maximum military buildup. At this time, in order for the MND to successfully perform its functions, organizations and manpower in the military administration areas need to be upgraded and systematized more effectively." "In the future," he added, "measures should be taken to secure the required personnel, including regulatory steps to ensure that defense administration employees are hired separately and trained to become specialists and that use of active service officers for non-combat duties is avoided."

Burma

Arrested NLD Leader Kyi Maung Said Sentenced

BK1710040690 Bangkok THE NATION in English 17 Oct 90 p A2

[By Cho Lay]

[Excerpts] Aung San Suu Kyi, the charismatic leader of Burma's National League for Democracy, was recently awarded the 1990 Rusto International Human Rights Award presented by the Taunus Rusto Memorial Human Rights Organization. The announcement, made over the British Broadcasting Corporation's Burmese programme, was monitored in Bangkok on Sunday night. [passage omitted]

Meanwhile, a traveller from Rangoon told THE NATION yesterday that Kyi Maung, acting chairman of the National League for Democracy [NLD] who was arrested last month, has been sentenced to three years' hard labour.

Kyi Maung and acting secretary Chit Khaing were arrested with four other leaders of the NLD for reportedly circulating to regional party leaders a confidential letter written to them by Khin Nyunt, chief of the dreaded Burmese military intelligence. Both Kyi Maung and Chit Khaing were detained under the Official Secrets Act.

Kyi Maung, 72, a former army commander until his imprisonment without charge in 1963, emerged after San Suu Kyi's arrest as a compromise leader of the League. He was widely regarded as a moderate who had the potential to act as a mediator between the ruling military and the more radical members of his own party.

The NLD's chairman Tin U has been detained since July 1989 and was sentenced to three years' hard labour.

The same source also said beginning Oct 20 the people of Rangoon will begin a passive protest by not leaving their homes on weekends thereby giving Rangoon the appearance of being a ghost city. Pamphlets have been circulated by the NLD urging the people to carry out this form of protest until the government hands over power to the party.

Khun Sa Welcomes UN Crop Substitution Plans

BK1210022990 Bangkok BANGKOK POST in English 12 Oct 90 p 9

[Text] Drug kingpin Khun Sa said he welcomed "with happiness" the news that the United Nations Fund for Drug Abuse Control (UNFDAC) will consider funding a crop substitution scheme for the Shan state. "I am very happy," said Khun Sa.

He claimed the failure of Burma's economy and the escalation of the drug problem in the Shan state were due to the political turmoil in Burma. "The Shan people have had to rely on poppy cultivation as their only source of income," he said.

Khun Sa claimed he had made great efforts in asking nations and organisations for help in eradicating opium production and the UNFDAC decision to consider providing funds was "a great opportunity" for the Shan people to start a new way of life with "the help and supervision of UNFDAC." "I feel relieved and very excited," he said.

Khun Sa pledged "full and unconditional" cooperation with UNFDAC "and assured that the Tai Revolutionary Council (TRC) shall never bar the way or indulge in undesirable activities against the agency". Many armed factions are operating in the proposed areas where the agency is to begin work. "TRC shall always welcome UNFDAC for its noble task to help by uplifting our people. We shall never contradict its plans, but will always readily render our help and safeguard UNFDAC on all grounds," said Khun Sa.

He said unit commanders of his Maung Tai Army would meet as soon as possible to discuss the matter and prepare to make way for the crop substitution scheme, even though "we are aware that it takes quite a long time before UNFDAC can begin work in areas under our influence." "The people who make a living out of opium production will also prepare to help the scheme reach its goal as quickly as possible," he said.

Khun Sa warned that though he totally agreed with the scheme, total eradication could only be acheived by simultaneously solving Burma's political and poverty problems.

Fighting Between Rebels on Thai Border Noted

BK0910021190 Bangkok BANGKOK POST in English 9 Oct 90 p 9

[Text] Chiang Mai—Fighting has erupted near the Thai-Burmese border between rebel groups, according to police. The new round of fighting between rebels of the United Wa State Army [UWSA] and elements of drug warlord Khun Sa's Muang Tai Army [MTA] took place last Thursday in Sop Lang, north of Doi Lang, opposite Mae Ai District.

Casualties are still unknown because the fighting is in dense jungle and communications are limited. But this was the scene of a fierce battle early this year in which 700 troops from both sides were reportedly killed. The batile subsided after paramilitary rangers intervened in June.

Thuds of mortar fire and bursts of machinegun fire were audible in Ban Tha Toun of Mae Ai, a favourite stop for western tourists, the source said.

Led by Cpt [Captain] Lao Yang of the MTA and Sam Pan of UWSA, about 200 troops are engaged in the

renewed flareup, said the source. It was expected the fighting would drag on, he said.

4 Killed, 7 Wounded in Battle With Karen Rebels

BK1210013290 Bangkok BANGKOK POST in English 12 Oct 90 p 7

[Text] Mae Sot—Three Burmese soldiers and a civilian were killed in a gunbattle with Karen rebels who blocked a road between Myawaddy and Kawkareik in Burma to rob a bus on Wednesday. Seven other passengers were shot and seriously wounded, according to a report from Myawaddy.

The incident took place at 11 a.m. when 10 armed rebels held up a bus running between Kawkareik and Myawaddy.

While the rebels were collecting cash and valuables from the passengers, a Burmese patrol unit arrived and opened fire at the robbers.

Brunei, Malaysia & Singapore

Malaysia

Opposition Leader Prepared To Face Inquiry

BK1710130490 Kuala Lumpur International Service in English 0800 GMT 17 Oct 90

[Text] Opposition Semangat 46 [Spirit of 46] Party leader Tengku Razaleigh Hamzah says he is prepared to face a royal commission of inquiry into the Bumiputera Malaysia Finance [BMF] scandal in which he is alleged to be implicated. Former BMF chairman Lorrain Esme Osman alleged that it was Tengku Razaleigh more than anyone who was responsible for what happened in Hong Kong to BMF and Carrian. The allegation was [words indistinct] in London. Lorrain, now in a London prison, is facing extradition to face trial with Carrian chairman George Tan in Hong Kong on fraud and bribery charges in connection with 1.9 billion ringgit worth of BMF loans channelled to Tan's group of companies.

Tengku Razaleigh Hamzah was finance minister between 1979 and 1983 when the BMF scandal took place. Approached by reporters on his comments on the allegation (?in Pasir Mas) last night, Tengku Razaleigh said [words indistinct] together before the royal commission to clean up the matter.

Opposition Party Offical Resigns for Infighting

BK1310142090 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 13 Oct 90

[Text] Opposition parties continue to face infighting prior to the 21 October general election. M. Kanabayashi, deputy president of the Organizing Committee of the All Malaysian Indian Progressive Front, has resigned for dissatisfaction with the way President M.G. Pandithan is running the party. M. Kanabayashi pledged to fully support the National Front. He accused Pandithan of being dictatorial, including in nominating candidates. This is against the objective of the establishment of the party. M. Kanabayashi claimed that he was responsible for drafting the party's constitution and applying for its registration.

Commentary Discusses Importance of Elections

BK1510140790 Kuala Lumpur International Service in English 0800 GMT 15 Oct 90

[Station commentary]

[Text] The election campaign is now in full swing in Malaysia. Candidates for the 180 parliamentary seats and the 351 state assembly seats are busy going on their rounds to meet the voters. All the political parties and coalitions of parties have published their election manifestos. The prime minister launched the manifesto of the Barisan Nasional or National Front coalition last Friday. It can be described as a well-thought-out document covering all aspects of public affairs. It is a brief review too of the various sectors in which the government has been engaged in its efforts to raise the living standard and the quality of life for Malaysians. The manifesto has been published in all different languages spoken in Malaysia. They are Bahasa Malaysia, the national language, Chinese, Tamil, and English. Therefore, no effort has been spared to ensure clear and effective communications with all sections of the community.

The election campaign is a quiet one. There is no demand or interest in mass rallies. Instead, small-scale gatherings are held. A newly arrived visitor will of course know that elections are due to take place because there are election posters everywhere along with party symbols.

Reading the various party manifestos, any reader will realize that Malaysia has changed. It was an underdeveloped economy of 20 years ago. Today, it can be truly described as a modern, diversified economy heading for more challenging objectives. The National Front manifesto mentions, for example, Malaysia's strong economic position and the growing demand for greater [words indistinct]. The growth in tourism is also significant.

This year's general election is unique in yet another aspect. A strong observer team from the Commonwealth is here. Its members form a [words indisintct] Commonwealth Association. They have already begun their work as independent observers. They will examine all details of latest electoral laws and the procedures following it in any general elections here. They move about freely, no restrictions are [words indistinct].

The chairman of the Malaysian Election Commission has spoken on the presence of this independent observer team. The government's willingness to allow the team to come to Malaysia is a good sign. Malaysia's effective system of democracy is open to the outside world. No one needs to fear that the electoral process [words indistinct].

Malaysians will doubtless turn out in full force for their parliamentary and state elections. In keeping with their economic progress, they will demonstrate to the world that they also value [word indistinct] progress. Once the excitement of the election is over, Malaysia will continue with its work for greater progress.

SIA To Fly Twice Weekly to Sabah, Sarawak

BK1310082490 Kuala Lumpur BERNAMA in English 0607 GMT 13 Oct 90

[Text] Kuching (East Malaysia), Oct 13 (OANA-BERNAMA)—Malaysia has agreed to allow Singapore Airlines (SIA) to operate twice weekly flights to this capital of Sarawak state and Kota Kinabalu in the neighbouring Sabah state, Prime Minister Dr. Mahathir Mohamed announced Saturday. The approval would help increase tourist arrivals in Sarawak and Sabah (states which are in Borneo island), he told a press conference here. The prime minister said the parties involved were still negotiating conditions for the SIA service.

The Federal Government did not want SIA to treat Sarawak as its hinterland to pick up Sarawak passengers bound for other sectors and vice-versa, he said. He said a quota of passenger load from Sarawak would be set for SIA and hoped the airline would bring in the tourists to boost Sarawak's thriving tourism industry.

Firm To Help SRV Set Up Phone Card System

BK1610151290 Hong Kong AFP in English 1210 GMT 16 Oct 90

[Text] Kuala Lumpur, Oct 16 (AFP)—A Malaysian company said Tuesday that it will sign an agreement with Ho Chi Minh City Posts and Telecommunications to cooperate on the development of a telecommunications network in Vietnam. Sapura Telecommunications Bhd. said it would work with its Vietnamese partner to install and operate a public card phone system in Vietnam besides venturing into other forms of business.

Shamsuddin Abdul Kadir, executive chairman of Sapura Holdings, the parent company of the Sapura Telecommunication, and Nguyen Ba, director of Ho Chi Minh City Posts and Telecommunications were due to sign the agreement here Friday.

Department Notes Trade Surplus Narrows in Jul

BK1110131390 Kuala Lumpur International Service in English 0800 GMT 11 Oct 90

[Text] Increasing imports have narrowed Malaysia's trade surplus to 624.4 million ringgit in the first seven months of this year, down almost 87 percent from the same period last year. The Statistics Department said for July alone, the country had a trade deficit of 118.94 million ringgit compared with a surplus of 283.12 million ringgit in July last year. Exports for the month totalled 6.28 billion ringgit, up from 5.68 billion ringgit in July last year, while imports amounted to 6.4 billion ringgit up from 5.39 billion ringgit.

The department said the rapid growth of imports could reduce [word indistinct] because they were largely capital equipment and [words indistinct] goods vital to sustaining economic growth.

Singapore

Stock Exchange Offers International Membership

BK0910160390 Hong Kong AFP in English 1035 GMT 9 Oct 90

[Text] Singapore, Oct 9 (AFP)—The Stock Exchange of Singapore (SES) has announced a new category of membership which will allow foreign securities firms to trade directly on all sections of the local stock market.

"An international member shall be permitted to deal with, for or on behalf of non-residents of Singapore and their related companies in transactions of any size on the SES main board, SESDAQ and Clob international markets," the SES said in a statement Monday.

The local market's three sections are the main board, Clob International or Over-the-Counter (OTC) market, set up following the split of the Singapore and Kuala Lumpur stock exchanges in January, and the Secondary Stock Exchange of Singapore Dealings and Automated Systems or SESDAQ.

The SES added that while international members will be free to deal in any amounts with foreign clients they will not be permitted to handle deals of less than five million Singapore dollars (2.8 million U.S.) for local residents. The SES also allowed existing foreign partners of local brokers to increase their stake beyond a current 49 per cent limit to 70 per cent but added that the 49 per cent limit will remain for new joint ventures.

The new members should contribute to the development of Singapore as a centre for trading of regional securities but they will not be eligible for election to the SES committee nor vote in an election of members. SES will also determine what they have to pay for their seat and to the securities clearing and computer services (PTE) ltd.

Meanwhile, the BUSINESS TIMES Tuesday said firms like the London-based Kuwait investment office, Morgan Grenfell Asia and Partners Securities and Barclays Bank of BZW-Pacific Union Private Ltd. were interested in the new opening.

Joint Exercise Held With Indonesian Navy

BK1510120190 Singapore Domestic Service in English 1100 GMT 15 Oct 90

[Text] Exercise Eagle, the biennial exercise between the Republic of Singapore Navy (RSN) and the Indonesian Navy has ended. The Indonesian Navy Commander/Western Region sea patrol chief, Commodore Honzono,

and the RSN fleet commander, Colonel Hoon Chian Hock, officiated the closing ceremony at Tanjung Pinang in Indonesia.

The exercise which started last Tuesday involved some 360 personnel, nine ships, and seven aircraft in the exercise. The RSN will host the next exercise in 1992.

Chinese Reportage on Lee Kuan Yew Visit

WA1610170490

For Chinese reportage on the visit to China by Singaporean Prime Minister Lee Kuan Yew, including reports on his meeting with Premier Li Peng, see the Southeast Asia & Pacific section of the 17 October and subsequent issues of the China DAILY REPORT.

Cambodia

Cooperation With France, Economic Woes Viewed

BK1210033190 Hong Kong AFP in English 0202 GMT 12 Oct 90

[Report by Leo Dobbs]

[Text] Phnom Penh, Oct 12 (AFP)—Cambodia received a welcome shot in the arm with the recent visit here of a top French official, but more potent medicine is needed if current ills are to be cured. French Deputy Foreign Minister Thierry de Beauce effectively opened a liaison office here September 31 with the launch of the independent but state-subsidised Alliance Francaise, many observers say. He also announced a small bilateral cooperation package with the government it does not recognise, including training for a few senior government officials mainly in economic management.

The development has been a welcome one for an administration battling on two fronts—a three-party resistance and a rapidly failing economy.

But most observers said a fistful of dollars would have been more useful for a country that one aid worker described as being "close to bankruptcy."

On the horizon looms the headache posed by the cutback of aid from Eastern Europe and the Soviet Union, which will want essential petroleum products to be paid for in hard cash from January 1. French non-governmental organisations working here stressed this point during a meeting with Mr. De Beauce, warning that Cambodia could grind to a halt if no one replaced the aid "especially in monetary terms," one aid worker said.

The government, in an apparent bid to rein in galloping inflation, on Saturday tried to fix the price of gold which is closely linked to the dollar-rie' exchange rate in a range of 45-55 dollars a chi (226 chi to a kilo or 2.2 pounds). The greenback was fetching 690 riels on the free market mid-week compared to around 380 in April. The official rate is 510 against 260 in January. Last week a chi of gold was changing hands at 38,000 riels, but the government stepped in and fixed the price at 30,000.

The result, according to locals, was that most dealers were ready to buy but refused to sell the precious metal. The price Monday was 33,800 riels.

Meanwhile petrol prices have also soared and it is no secret that Phnom Penh has been importing expensive fuel from Thailand and Singapore, which do not recognise this government either. Petrol prices rose in the past three weeks from around 135 at official gas stations or 300 riels a litre at roadside to 350 riels and almost 500 riels respectively on Monday. Unconfirmed reports said Moscow had refused a request to up its petrol supplies here while a Cambodian source said a shipment was on its way.

The price of rice has also risen but comparative figures were not available.

The people most affected are those on fixed wages, mainly civil servants—a factor that does little to put a lid on corruption.

The government has announced anti-corruption measures and recently replaced the top party officials in the eastern border Province of Modulkiri for corruption, according to one source. But the longer the malaise continues and the more distant seems peace the more likelihood of opposition from within, say many observers.

The current stalemate over the formation of a sovereignty council with the resistance and the continued fighting, which eats up more than a third of the budget, can only play into the hands of the opposition, they add.

The government is all too aware of this and stressed the importance of a ceasefire in talks with the French, according to one delegation member.

Air Service Agreement Signed With France

BK0710071990 Phnom Penh SPK in English 0455 GMT 7 Oct 90

[Text] Phnom Penh SPK October 07—Paris and Phnom Penh will soon be directly linked by a regular air service for the first time in more than 15 years, a top aviation official was quoted by AFP as saying here Friday.

Air Liberte and Air Kampuchea signed an agreement Thursday allowing the private French company to fly a weekly passenger and freight service between the two cities, said Keo Saphal, deputy director of the Civil Aviation Department.

An airbus 300/600R will launch the service on October 30, leaving Paris' Orly Airport and arriving at Pochentong Airport here on November 1.

It will stop at Karachi and then fly through Indian, Burmese, Lao, and Vietnamese air space to reach Cambodia, Keo Saphal said.

Air France and UTA used to fly scheduled services here before the Khmer Rouge came to power in 1975 at the start of a brutal rule that left millions of Cambodians dead.

France took a major step towards restoring old links, with a visit here from September 28 to October 1 by Deputy Foreign Minister Thierry De Beauce.

Heng Samrin Receives SRV, Lao Journalists

BK1210103290 Phnom Penh SPK in French 0512 GMT 12 Oct 90

[Text] Phnom Penh 12 Oct (SPK)—Heng Samrin, secretary general of the Kampuchean People's Revolutionary Party [KPRP] Central Committee, received in Phnom Penh on Wednesday [10 October] the delegations of the Vietnamese newspaper NHAN DAN and the Lao newspaper PASASON attending the fifth anniversary of the Cambodian newspaper PRACHEACHON (the people).

Vietnam's journalist delegation was led by editor Ha Dang, alternate member of the Communist Party of Vietnam Central Committee, and that of Laos by Editor Buaban Volakhoun, member of the Lao People's revolutionary Party Central Committee.

Secretary General Heng Samrin on that occasion informed his guests of the real situation and all-round development in the country, particularly since the complete withdrawal of the Vietnamese volunteers in September 1989.

He also recalled the efforts and goodwill of the State of Cambodia to find an early reasonable and equitable peaceful solution to the Cambodian problem. However, he said, the Khmer on the other side have sought by all means to block the process of peace at all forums of talks.

The Cambodian leader stressed the need to further develop the friendship, solidarity, and cooperation among the parties, governments, and peoples of the three countries, particularly among the three press organizations.

Finally, he thanked the parties, governments, and peoples of Vietnam and Laos for their active support given to the just cause of the Cambodian people.

For their part, Ha Dang and Buaban Volakhoun highly appreciated the just position of the KPRP which, despite numerous difficulties, has recorded remarkable achievements in all fields.

They pledged to do their best to further strengthen and develop relations among the three countries.

Present at the function were, among others, Som Kimsuor, editor of the newspaper PRACHEACHON and chairman of the Cambodian Journalists Association, and Ngo Dien and Thongsoukhoun Phounsavan, Vietnamese and Lao ambassadors to Cambodia respectively.

Hor Namhong Receives Hungarian Ambassador 6 Oct

BK0910071690 Phnom Penh SPK in English 0450 GMT 9 Oct 90

[Text] Phnom Penh SPK October 9—Hor Namhong, foreign minister of the State of Cambodia, received here on October 6 Hungarian Ambassador Lajos Tomas.

They exchanged views on the international situation, especially the development in Cambodia.

The Hungarian ambassador informed the Cambodian foreign minister of the economic cooperation between Hungary and Cambodia and said that Hungary would send a delegation to Cambodia to study the possibility of investments here.

For his part, Hor Namhong spoke of the latest developments around the Cambodian issue and the Supreme National Council's work, the goodwill of the State of Cambodia to break through the current deadlock in the SNC's work for finding an early comprehensive solution.

Even more urgent than the selection of the SNC chairman, he said, are the sending of an SNC delegation to the United Nations to occupy the Cambodian seat at the world organization, the implementation of a vouluntary cease-fire to end the bloodshed in the country and create an atmosphere of mutual understanding among the Khmer warring factions before reaching a final agreement, and the cessation of all foreign military aid to the Khmer opposing sides.

Hor Namhong Greets Bulgarian Foreign Minister

BK1110102290 Phnom Penh SPK in English 0431 GMT 11 Oct 90

[Text] Phnom Penh SPK October 11—Hor Namhong, foreign minister of the State of Cambodia, has congratulated Lyuben Gotsev on his appointment as foreign minister of the People's Republic of Bulgaria.

In his congratulatory message, Hor Namhong said: "I am firmly convinced that the solidarity, friendship and multiform cooperation between the State of Cambodia and the People's Republic of Bulgaria will be further strengthened and developed in the interests of our two people's and of world peace."

He wished the Bulgarian foreign minister the best of health and success in his highly responsible task.

Tie Banh Greets New Bulgarian Defense Minister

BK1510090690 Phnom Penh SPK in French 0413 GMT 15 Oct 90

[Text] Phnom Penh 15 Oct (SPK)—Tie Banh, national defense minister of the State of Cambodia, has just sent warm greetings to Yordan Mustaschiev on his appointment as defense minister of the People's Republic of Bulgaria.

The message wished the Bulgarian minister good health and new successes in his noble tasks.

Tie Banh Greets Polish Counterpart on Army Day

BK1510084690 Phnom Penh Domestic Service in Cambodian 1300 GMT 14 Oct 90

[Text] Comrade General Tie Banh, defense minister of the State of Cambodia, recently sent a congratulatory message to Vice Admiral Piotr Kolodziejczyk, defense minister of the Polish Republic. The message notes:

On the occasion of the founding anniversary of the fraternal Polish People's Army, I am very glad to extend warmest congratulations and best wishes to you for your good health and new victories in carrying out your noble tasks for the well-being, happiness, and prosperity of the fraternal Polish people.

Tie Banh Greets CSFR Counterpart on Army Day

BK1410105190 Phnom Penh Domestic Service in Cambodian 1200 GMT 13 Oct 90

[Text] On the anniversary of the people's army and the national day of the fraternal CSFR, Comrade Tie Banh, defense minister of the State of Cambodia, sent a congratulatory message to General Miroslav Vacek, defense minister of the CSFR. The message says in essence:

Dear Minister: On the anniversary of the fraternal CSFR's People's Army, I am most happy and honored to convey to you most sincere and vigorous congratulations. On this solemn occasion, I would also like to wish you good health, strength, and success in carrying out responsible tasks in the current and future stages.

Please accept our sincere thoughts.

Tie Banh Greets Cuban Official on National Day

BK1610125490 Phnom Penh Domestic Service in Cambodian 2300 GMT 15 Oct 90

[Text] Comrade General Tie Banh, minister of national defense of the State of Cambodia, sent a message of greetings to Comrade General Raul Castro Ruz, minister of the Revolutionary Armed Forces of the Republic of Cuba, on the occasion of the national day of the Republic of Cuba. The message reads:

I would like to extend to you my warmest and most sincere congratulations on the national independence of the fraternal Republic of Cuba. On this most solemn occasion, I wish you the best of health, great strength, and new successes in your noble tasks at this new stage and in the future. May the bonds of solidarity and friendship between our two armies further grow and develop.

Hun Sen Congratulates Mongolian Prime Minister

BK1610081190 Phnom Penh SPK in English 0450 GMT 16 Oct 90

[Text] Phnom Penh SPK October 16—Hun Sen, chairman of the Council of Ministers of the State of Cambodia, has extended warm congratulations to Dashiyn Byambasuren, the new prime minister of the People's Republic of Mongolia.

In his congratulory message, Prime Minister Hun Sen expressed his conviction that the solidarity, friendship and fruitful cooperation in many forms between the two governments would be further consolidated and developed in the interests of the two peoples.

Heng Samrin Congratulates Mongolian Counterpart

BK1710124790 Phnom Penh Domestic Service in Cambodian 0430 GMT 17 Oct 90

[Text] Comrade Heng Samrin, chairman of the Council of State of the State of Cambodia, recently sent a congratulatory message to Comrade Punsalmaagiyn Ochirbat on his reelection as chief of state of the Mongolian People's Republic [MPR]. The message stresses:

On behalf of the Council of State of the State of Cambodia and the entire Cambodian people and in my own name, I would like to express heartfelt congratulations on your reelection as chief of state of the MPR.

I highly appreciate the great achievements made by the fraternal Mongolian people by braving through all obstacles while upholding national prestige and social progress. I firmly believe the bonds of fraternal solidarity and friendship and all-around cooperation between Cambodia and Mongolia will be further strengthened and develop for the happiness of our two peoples and peace in the region and the world. I take this opportunity to wish you the best of health and greater successes in your noble tasks. Please accept my high regards.

Foreign Currency Dealings Circular Made Public

BK1610145490 Phnom Penh Domestic Service in Cambodian 2300 GMT 15 Oct 90

[Circular of the Council of Ministers dealing with the control of the currency exchange business and the trading of precious stones—dated 27 September and signed by Deputy Chairman of the Council of Ministers Chea Soth]

[Text] By virtue of Decree-law 22 on license tax dated 14 June 1985 of the Council of State, Decree-law 23 on business tax dated 14 June 1985 of the Council of State, and the law on customs duty dated 20 July 1989 of the National Assembly, in accordance with the spirit of the closing speech at the 19th session of the First National Assembly on 9 August 1990 expressed in the paragraph that says: "It is forbidden to engage in the traffic of gold and foreign currency," and according to the joint proposal of the Ministry of Finance and National Bank of

Cambodia, the Council of Ministers issues this circular to temporarily control the still unorganized money exchange business in the markets as follows:

1. It is forbidden for any individual or group of individuals to engage in the unlicensed and unorganized money exchange business that might influence market prices and affect social order and stability as in the past.

2. Any individual or group of individuals wishing to engage legally in the money exchange business must first apply for permission from the Ministry of Finance and National Bank of Cambodia before opening a money exchange house with a proper address, an office, and a sign.

The Ministry of Finance and National Bank of Cambodia must set an appropriate timetable to explain modalities and grant permission to individuals or groups of individuals wishing to open regular and legitimate money exchange houses.

3. A licensed money exchange house must put up a daily buying and selling rate and must regularly report on buying and selling activities to the Ministry of Finance and National Bank of Cambodia, according to examples to be published by the two institutions. It must also be bound by duty to pay state taxes, according to the taxation law of the State of Cambodia.

4. The Ministry of Finance and National Bank of Cambodia must have measures to limit, guide, and control houses currently engaged in buying and selling precious metals and stones so that they have specific addresses, offices, or branches, bear signs or brandnames, put up daily buying and selling rates, fully and correctly pay taxes to the state, and strictly and regularly make reports, according to the examples to be published by the two institutions.

5. It is forbidden for any Cambodian and foreign individuals or companies to take or attempt to take precious metals and stones out of the territory of the State of Cambodia without the prior approval of the Ministry of Finance and National Bank of Cambodia. All foreigners and overseas Cambodians leaving Cambodia may, without permission, bring currency or precious metals and stones with them in quantities equal to or less than the amount declared at the border pass when they enter Cambodia.

6. It is forbidden for any Cambodian and foreign individuals and companies to pay off or balance out all kinds of transactions with the use of personal liquid money or currency in the territory of the State of Cambodia. Anyone who has foreign currency must exchange it for riels at any licensed business bank or money exchange house for paying off or balancing transactions. Otherwise, they must open accounts and deposit their money at licensed business banks.

Businessmen, hotels, and economic components possessing foreign currency, owners of houses rented to foreigners, and so on must sell their incomes in currency to business banks or open savings accounts in currency at business banks.

The Ministry of Finance must monitor and control and see to it that businessmen, hotels, economic components, owners of houses rented to foreigners, and so on strictly and clearly report the state of their incomes in currency at specific intervals.

7. Licensed money exchange houses have the right to purchase currency and travelers checks from the Cambodian and the foreign public and have the right to sell these currencies and checks to licensed business banks or the National Bank of Cambodia at the daily exchange rate published by this institution at each given time.

8. The National Bank of Cambodia, with the consent of the Ministry of Finance, is the one to determine and publicize the buying and selling rates of currency to be used in the exchange of money with licensed business banks and money exchange houses.

9. Particularly in Phnom Penh, the Ministry of Finance and the Ministry of Interior must cooperate in creating a special unit and setting up an office to facilitate contacts by the general public or companies. The function of this special unit is to control and monitor all violations or attempted violations of this circular.

10. Any individual who reports or uncovers violations or attempted violations of this circular will be rewarded by the Ministry of Finance and National Bank of Cambodia.

11. Any individual who has violated or attempted to violate this curcular for the first time will be warned through publication in official newspapers and broadcasts over the radio and television, and anyone who has violated or attempted to violate it for the second time will be sent for reeducation and correction according to the severity of the crimes committed.

12. The Ministry of Finance, the National Bank of Cambodia, the Ministry of Interior, and authorities at all levels must cooperate to effectively implement this circular from the day it is made public. [Dated]Phnom Penh, 27 September 1990
[Signed]For the Council of Ministers,
Signed and sealed: Chea Soth

Khmer Rouge Reportedly Blocked in Siem Reap

BK1610162290 Hong Kong AFP in English 1551 GMT 16 Oct 90

[Text] Bangkok, Oct 16 (AFP)—Khmer Rouge guerrillas have been stopped in their drive in the Siem Reap area of northern Cambodia, near the Angkor Temple complex, Thai military officials said Tuesday. The officials, based on Thailand's border with northern Cambodia, said Khmer Rouge attacks in the area had been checked by artillery barrages from Phnom Penh forces.

A Phnom Penh officer said Monday that the Khmer Rouge, the most powerful guerrilla force fighting the country's Vietnam-installed government, had launched the attacks since the end of last week. The statement by the Cambodian officer, who asked not to be named, was later here by Thai military spokesman Lieutenant General Naruedon Detpradiyut. [sentence as received]

Siem Reap, a town of some 15,000 people, is of special importance both because of its location on strategic highway six, one of Cambodia's major lifelines, and its proximity to the ancient Angkor Wat Temple, the symbol of the Khmer nation and people.

The Beijing-backed Khmer Rouge, Cambodia's former radical Marxist ruling group, were overthrown in January 1979 by Vietnamese troops. Its guerrillas dominate an anti-Phnom Penh coalition which also includes two smaller non-communist groups headed by former Cambodian monarch Prince Norodom Sihanouk and former Premier Son Sann.

SPK Reports Army Operations in Kompong Cham

BK1710073390 Phnom Penh SPK in English 0444 GMT 17 Oct 90

[Text] Phnom Penh SPK October 17—In the four months to September 30, the government forces in Kompong Cham Province, 124 km northeast of Phnom Penh, wiped out 268 troops of the three Khmer opposition factions, wounded 348 and captured two others.

In mopping-up operations on Sept. 2-3 against the enemy infiltrators, the government troops killed 109 enemy troops, wounded 125 and seized a large quantity of war means.

Military Activities in Kompong Thom Reported

BK1410093990 Phnom Penh Domestic Service in Cambodian 1200 GMT 13 Oct 90

[Excerpt] On 4 October, at 0600 sharp, the three enemy groups, with a combined force of about 350 men, launched a heavy attack to take the Stoung district seat [Kompong Thom Province] for the fourth time.

However, this insane activity was efficiently counterattacked in a timely fashion by our combined force, composed of elements of the 50th, 51st, 52d, 53d Battalions and the 36th Regiment, as well as the cooperation of our people and local military authorities. We dealt the enemies a shameful defeat. After the battle, we killed 25 enemy soldiers on the spot, wounded 35 others, and seized a 60-mm mortar, five AR-15's, an M-18, an AK, and a large quantity of war materiel. [passage omitted]

Phnom Penh Radio Notes Early Oct Actions

BK1710081590 Phnom Penh Domestic Service in Cambodian 1200 GMT 16 Oct 90

[Summary] At the beginning of the second week of October, enemy activities have been reduced to a certain degree. However, the three enemy groups still fire artillery shells on our positions and harass us with attacks by small units against a number of localities in the rural area. The enemies concentrated their activities in Pursat, Banteay Meanchey, Battambang, Siem Reap-Oddar Meanchey, and Kompong Thom Provinces. At the beginning of the second week of October, 115 artillery shells were fired on the area under the control of the 286th Division.

Between 6 and 10 October, our Armed Forces in various localities put out of action 83 enemy soldiers, including 19 killed on the spot, 25 taken prisoners, and 39 others who surrendered. We seized 12 assorted weapons, a field radio, and a large quantity of war materiel.

Banteay Meanchey Refugees Receive Aid

BK1410095890 Phnom Penh Domestic Service in Cambodian 0430 GMT 13 Oct 90

[Summary] To assist war refugees who have fled the battle zones in Svay Chek and Thmar Puok Districts and are now camped in safe areas in Banteay Meanchey Province, the provincial party committee, state authorities, and Red Cross—in August—distributed 95 tonnes of rice, 8,300 liters of fish sauce, and 400 kilograms of salt to over 2,000 families comprising over 9,000 persons.

VONADK Acclaims UN Assembly Resolution

BK1710042590 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 16 Oct 90

[Report on adoption of resolution on Cambodia by the UN General Assembly's 45th Session on 15 Oct]

[Excerpt] [Passage omitted] The entire Cambodian people and the tripartite Cambodian resistance forces acclaim the resolution of the 45th UN General Assembly [UNGA] session. The Cambodian national resistance forces have successively said they assist, support, and sincerely implement the document of the UN Security Council [UNSC] and the Jakarta agreement on setting up the Supreme National Council, which requires that Samdech Norodom Sihanouk be chairman.

The resolution of the 45th UNGA session involves pressure to force the Hanoi Vietnamese and Phnom Penh to implement the document of the permanent members of the UNSC and the Jakarta agreement. This clearly shows, although the Hanoi Vietnamese aggressors and the Hun Sen-Phnom Penh side try to carry out deceitful maneuvers, the world will not let them avoid the UNSC document and the Jakarta document.

On 4 October Vietnamese Foreign Minister Nguyen Co Thach stated to the UNGA session Vietnam's open and gross opposition to the Jakarta agreement and the UNSC document. Now the world has hold of the Hanoi Vietnamese; they cannot get away. The United Nations and UN peacekeeping force will soon come to Cambodia to carry out

comprehensive control, particularly to check the withdrawal of all Vietnamese aggressors from Cambodia.

VODK Urges International Pressure on SRV

BK1210065590 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 11 Oct 90

["Short article": "The Entire International Community Will Continue To Pressure and Force Vietnam To Accept a Political and Comprehensive Solution to the Cambodian Problem in accordance with the Document of the Five Major Powers"]

[Text] On 4 October, Hanoi Vietnamese Foreign Minister Nguyen Co Thach impertinently criticized the plan to solve the Cambodian problem politically and comprehensively of the five permanent members of the UN Security Council. This arrogant and insolent behavior of Nguyen Co Thach further clearly shows the deceitful and tricky maneuvers of Vietnam, which wants to avoid solving and ending Vietnam's war of aggression in Cambodia politically and comprehensively. It also shows Vietnam refuses to abide by and implement the document of the five permanent members of the UN Security Council, the Jakarta agreement—which Vietnam itself had ordered Phnom Penh to sign—and the UN Security Council's Resolution 668/90.

Vietnam is carrying out maneuvers to destroy all these documents so it can continue its aggression against Cambodia and occupy it longer. Faced with this intransigence of the Vietnamese agggressors, the international community, particularly the United Nations, will join together in pressuring Vietnam and forcing it to accept a genuine political solution to the Cambodian problem in accordance with the five-chapter document of the five permanent members of the UN Security Council.

NADK Vows To 'Fight' SRV, Phnom Penh

BK1310102490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 12 Oct 90

["Open Letter" from divisions and autonomous regiments of the National Army of Democratic Kampuchea, NADK; date not given]

[Summary] In a liberated zone of Cambodia, the representatives of all divisions and regiments of the National Army of Democratic Kampuchea [NADK] recently held a meeting on the situation of the 12-year Vietnamese war of aggression against Cambodia. At the conclusion, the participants issued an open letter calling for "upholding vigilance and effectively using the right to retaliate" against Vietnamese enemy aggressors and the Phnom Penh Hun Sen-Heng Samrin group's activities to destroy the Jakarta agreement and the document of the five permanent members of the UN Security Council [UNSC].

In the letter, Hanoi and Phnom Penh were denounced for their repeated maneuvers to encroach and destroy the peace plan forged by the five UNSC permanent members in order drag on the Vietnamese war of aggression in Cambodia to slaughter the Cambodian nation and people and cause them disasters. The letter says: "The Hanoi Vietnamese aggressors have continued to ship fresh Vietnamese troops to Cambodia's battlefields according to their plan since August 1990. To date, three Vietnamese troop divisions have been sent to the Cambodian battlefields. Two thirds of the Vietnamese reinforcements have been sent to the Battambang battlefield and have been posted along railway tracks, National Route 5 in southern Battambang, and Route 10 in western Battambang. This is aimed at specifically retaking Pailin [a gem-rich township opposite the Thai border]. The remaining one third has been deployed on various battlefields in the country as standby forces for their puppets and lackeys."

The Vietnamese enemy aggressors and Phnom Penh have continued to conscript those aged between 13 to 60 into the army and militia to serve Vietnam's continued war of aggression. "Since September, the Vietnamese and Hun Sen-Heng Samrin group have launced military operations on almost every battlefield in the country, especially on the Battambang-Route 10, western Battambang, Kompong Cham, and Kompong Thom battlefields, and so on."

The letter points out that the CNR [Cambodian National Resistance] and the National Government of Cambodia [NGC] have accepted the Jakarta agreement on establishing the Supreme Natioanal Council which needs Samdech Norodom Sihanouk to be its chairman, the entire document of 28 August 1990 hammered out by the five UNSC permanent members, and the resolution adopted by the entire UNSC on 20 September 1990. "All of us want to politically end the Vietnamese war of aggression against Cambodia according to a comprehensive agreement. We have striven to do everything possible in order to achieve a political settlement of the war of aggression waged by Vietnam against Cambodia, in keeping with the Jakarta document and the UNSC's document in its entirety." The Cambodian people are extremely furious with the Hanoi Vietnamese aggressors and the Hun Sen-Heng Samrin group of Phnom Penh for infringing upon the Jakarta agreement and the UNSC document. Obviously, they are opposing and destroying the settlement of the Vietnamese war of aggression against Cambodia. They are conducting all sorts of activities and maneuvers to continue Vietnam's war of aggression and occupation of Cambodia in conformity with their Indochinese federation strategy. "The entire Cambodian people will in no way forgive the Vietnamese aggressors and the Hun Sen-Heng Samrin group of Phnom Penh. They do not want to be free Cambodians but Vietnamese lackeys forever. All Cambodians will uphold the great national union banner and continue to fight against the Vietnamese aggressors and the Hun Sen-Heng Samrin of Phnom Penh until they are forced into accepting the Jakarta agreement on establishing the SNC which requires Samdech Norodom Sihanouk as chairman, and the document for Cambodia formulated by the five UNSC permanent members."

"The PDK [Party of Democratic Kampuchea], which is the nation's and people's resistance force fighting the Vietnamese aggressors and their puppets and lackeys since the first day of Vietnam's invasion of Cambodia, never allows the Vietnamese invaders and the traitorous Phnom Penh group who have sold the nation, to insolently continue their activities and maneuvers to destroy the Jakarta agreement and the document of the five UNSC members."

"For the sake of the survival of the Cambodian nation and people, we do not hesitate to continue the struggle to end the Vietnamese war of aggression. We have every right to do this. We are not carrying out the struggle to seize Vietnam's territory or anything else. We only want to liberate Cambodia from the Vietnamese invasion."

[Signed] 405th, 305th, 27th, 107th, 5th, 86th, 415th, 320th, 705th, 948th, 36th, 919th, 18th, 19th, 450th, 519th, 912th, 980th, 616th, 802d, 785th, 809th, 920th, 105th, 709th, 612th, 607th, and 417th divisions and autonomous regiments of the National Army of Democratic Kampuchea.

SRV Said To Draw Up Plan for Retaking Pailin

BK1410103390 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 12 Oct 90

[Text] Bou Thang, Vietnamese puppet general and chief of the General Political Department of Vietnam's puppet army, and a Vietnamese military delegation flew from Phnom Penh to Stung Treng Province in September 1990. In the meantime, Pol Saroeun, chief of the General Staff of Vietnam's puppet army, and another Vietnamese military delegation flew to Battambang Province.

On the occasion, the Vietnamese delegation unveiled a plan to lauch an offensive against Route 10 and Pailin [a gem-rich township opposite Thai border]. As for the Vietnamese delegation in Stung Treng, it drew up a plan to hide troops and war equipment in various areas along the Cambodian-Lao border. In particular, they set up a unit made up of Vietnamese, Cambodian, and Lao troops to conduct activities along the Cambodian-Thai-Lao border as well.

On 12 October, Bou Thang and the Vietnamese military delegation returned to Stung Treng Province, then travelled to Ratanakiri Province. The main objectives of the trip were:

1. To hide and mix the Vietnamese troops—who specialize in leading military, political, spying, investigating, and sabotaging activities—among the local inhabitants. Those soldiers can speak the native tongue of the local people and have married minority ethnic groups' women from Vietnam who have the same race as that of the minority ethnic groups living in Ratanakiri and Stung Treng Provinces. This is aimed at hiding Vietnamese troops for a long period of time. Moreover, they have also assigned Vietnamese, who speak Lao correctly and whose wives are Laotians, to settle in Stung Treng in order to control the provincial, district, and communal administrative machines.

2. To cache their arms stockpiles in forests in Stung Treng and Ratanakiri Provinces. They also have arms caches in areas in Lao territory bordering Ratanakiri Province, the western and eastern banks of the Mekong River in Stung Treng Province, and the other side of Ropeou River in Preah Vihear Province.

3. To establish a spy network and a network to create, by any possible means, division among the Cambodian people. They have done whatever they can to make the people denigrate each other so they will have the opportunity to further spark trouble in accordance with their strategems.

4. The Vietnamese military delegation—including experts in political, psychological, and military warfare, spy activity, and weaponry—presented its plan to the party committees of Stung Treng and Ratanakiri Provinces and asked the latter to systematically cooperate with the Vietnamese from the Fifth Vietnamese Military Region in conducting military activities from now on. If there is to be control by the United Nations, the UN control mechanism should be destroyed systematically according to the scheme, so as to prevent it from verifying the Vietnamese forces' presence in the two provinces.

We understand that in other provinces and regions in Cambodia established by the Vietnamese, the same stratagems and forces have been arranged as in Stung Treng and Ratanakiri Provinces.

The entire Cambodian people inside and outside the country, all of the parties of the Cambodian National Resistance, and in particular the party of Democratic Kampuchea and the National Army of Democratic Kampuchea have been following and are well aware of the plots and activities carried out by the Hanoi Vietnamese aggressors and their puppets and lackeys both in the interior and exterior of Cambodia. All of us have been upholding our high sense of vigilance and using our right along with self-reliance to effectively retaliate against the enemy activities on a timely basis.

VONADK: Positions Near Phnom Penh Attacked

BK1710010890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 16 Oct 90

[Text] On 10 October, our national resistance forces attacked battalion positions of the Vietnamese enemy and puppets in Snuo Chrum and Vat Prey Sampoch in south Samraong Tong District on the southwest Phnom Penh battlefield.

We killed 27 enemy soldiers on the spot, including a Vietnamese major, and wounded 17 others. We destroyed four B-40's, two 82-mm mortars, and seized

three pistols and a quantity of assorted ammunition and war materiel. Soon afterward, the Vietnamese and puppets at nearby positions fired DK-82 guns to assist their comrades; however, their cannons exploded, killing twelve other soldiers.

Nine Soldiers 'Join' Forces

BK1710031890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 16 Oct 90

[Excerpt] On 10 October, when our Cambodian national resistance forces [CNRF] attacked the Vietnamese enemy and puppets at Snuo Chrum and Vat Prey Sampoch positions in Toek L'ak Commune, south Samraong Tong District, Kompong Speu Province, compatriot Cambodian soldiers in nearby positions took that opportunity to plant mines underneath the Vietnamese enemy's artillery pieces. When the Vietnamese enemy fired these cannons to assist their colleagues, the guns exploded killing 12 enemy soldiers; a DK-82 gun was rendered unusable. Afterward, nine compatriot Cambodian soldiers fled to join our CNRF with their weapons. [passage omitted]

VONADK Continues Battle Report 16 Oct

BK1710021690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 16 Oct 90

["Daily Report From Various Battlefields"]

[Text] Moung-Pursat battlefield:

Moung District: On 10 October, the Vietnamese enemy and puppets stepped on our mines at Bak Tong and Prek Chik; three were killed, and six others were wounded. On 11 October, our national resistance forces [NRF] attacked and dismantled administrative networks of the Vietnamese enemy and puppets in two villages: Chahuoy and Tuol Roka in Russei Kranh. An enemy soldier was killed and another wounded.

Southwest Phnom Penh battlefield:

Kong Pisei District: On 8 October, our NRF attacked the Vietnamese enemy and puppets in Slap Leng township, killing two and wounding one; we freed six village and commune agents who have been forced to serve the Vietnamese enemy and puppets. On 10 October, our NRF ambushed a company of Vietnamese enemy and puppets in Roka Thom, killing two and wounding five.

Kompong Thom battlefield:

Kompong Svay District: From 26 to 30 September, our NRF attacked the Vietnamese enemy and puppets in Dambok Khpuoh and Kon Thnaot villages, killing nine and wounding 14, destroying a vehicle, and seizing two SK rifles. On 2 and 3 October, the Vietnamese enemy and puppets stepped on 10 of our mines at Trapeang Kraom and between Russei Kduoch and O Kroch; seven people were killed and eight others wounded.

Stoung District: On 8 October, our NRF attacked the Vietnamese enemy and puppets in O Dong village and also fired artillery shells on Prey Kraoh position. We killed four and wounded enemy soldiers.

Baray District: On 6 and 7 October, our NRF ambushed the Vietnamese enemy and puppets near O Ta Saeng and Rumchek villages. We killed two and wounded three. On 8 October, our NRF blocked a 1,000-meter stretch of Road 21 between kilometer marker one and the road sign.

In sum, our Cambodian NRF killed or wounded 126 soldiers of the Vietnamese enemy and puppets; destroyed six weapons, a battalion position, a vehicle, and some war materiel; dismantled administrative networks in two villages; blocked a 1,000-meter stretch of road; seized five weapons and a quantity of ammunition and assorted war materiel; and freed six commune officials.

VONADK on Presence of Vietnamese Settlers

BK1210101590 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 11 Oct 90

[Excerpt] Since 10 September, the Hanoi Vietnamese aggressors have been bringing increasing numbers of Vietnamese nationals to occupy Cambodian territory. In areas along rivers and in townships and cities, particularly in Phnom Penh, there are currently many Vietnamese nationals. There are Vietnamese workers in large and small shops and in various offices of the Phnom Penh authorities. According to reports, some of the Vietnamese settlers, brought in by the Hanoi Vietnamese aggressors, have already been organized into espionage and subversive groups to carry out activities in Cambodia in the immediate period and in the future. This is part of the policy of the Hanoi Vietnamese aggressors to annex Cambodia into Vietnam's Indochinese federation. [passage omitted]

Indonesia

Finance Minister on Company Mismanagement, Oil

BK0710104990 Jakarta ANTARA in English 0257 GMT 7 Oct 90

[Text] Jakarta, Oct 7 (OANA-ANTARA)—Finance Minister J.B. Sumarlin stated here Saturday that shareholders of companies which have gone public could bring the companies to court in case of the companies neglecting their obligations.

Speaking to newsmen after giving reports on annual conferences of the International Monetary Fund (IMF) and the World Bank recently held in Washington to President Suharto, the minister said that a number of companies did not give dividends to investors although they promised to do so when going public. Sumarlin said that by going public, the companies should explain the whole condition. He explained that shareholders should

dare to bring the companies to court since, he said, dividend was the rights belonging to the investors.

Asked about Bank Duta case, Sumarlin said that it was also questioned at the IMF and World Bank conferences in Washington. The private bank incurs losses of 419 million U.S. dollars because of mismanagement.

The most important thing, according to Sumarlin, was that the major shareholders of the bank had provided fresh money to compensate losses on foreign exchange transactions. The major shareholders of the bank are three charity foundations namely Dharmais, Supersemar and Dakab. Immediate action taken by the bank's major shareholders had prevented customers and workers from losses, he said.

Answering a question on oil prices which remain high raised by the Gulf crisis, the minister warned people not to be surprised. He further explained that oil prices hike could on one hand increase the country's income but on the other hand, it might cause recession. Oil prices began to increase after Iraq's invasion of Kuwait on August 2. The U.N. imposed embargo on both Iraqi and Kuwaiti oil amounting to 4 million barrels a day.

The Organization of Petroleum Exporting Countries (OPEC) has decided to boost oil production in a bid to overcome scarcity of oil in the world market.

Referring to results of the IMF and World Bank annual meetings, Sumarlin said that the world economic growth was expected to reach 2.5 percent in 1991 while this year's rate was 2.4. The crisis in the Middle East also caused the world economic growth to lower, Sumarlin said.

Suharto Opens Energy Meetings, Speaks on Oil

BK1610123990 Jakarta ANTARA in English 0859 GMT 16 Oct 90

[Text] Jakarta, Oct 16 (OANA-ANTARA)—President Suharto here Tuesday urged the industrialized nations to release their oil stocks in order to cope with the current oil scarcity on international market and to ease speculation in oil trade. The head of state made the call at the opening of two energy meetings, i.e. the annual convention of the Indonesian Petroleum Association (IPA) and the First International Energy Conference at the Mangala Wana Bhakti convention hall here.

Consuming countries have quite a substantial amount of oil in their stockpile that can be used any time to stabilize prices. What is most urgent, however, is to soften the impact of speculative activities on oil prices. The high oil prices of today are definitely not caused by scarcity alone, but it is more due to speculation, the president said.

Obviously, he went on, such a situation cannot go unchecked, because the longer it lasts the worse it is going to be and it will have a long-lasting effect on the world economy. This is the reason why I appeal to the industricumative [word as received] activities, and to help overcome the fear of supply shortage (word indistinct) after all, intended for this purpose, he said.

President Suharto further said that the recent oil price developments have caused great anxiety, mainly after the break of the Middle East crisis. The Middle East crisis, he said, showed how vulnerable the world energy supply was, because it was still the most important source of energy for the world. Let alone a crisis of such big dimension as is now taking place in the Middle East, even small disturbances have greatly affected the stability of oil prices, he said. [passage indistinct]. Therefore, he went on, energy problems, especially related to oil, must have the serious attention of all nations.

It is difficult to regard oil merely as an ordinary commodity because it is the primary source of energy, President Suharto asserted.

He also admitted that higher oil prices will raise the earnings of producing countries. However, he went on, uncontrolled price hikes will benefit nobody.

The president warned that then jolts occuring in the oil markets lately will cause disadvantageous repercussions to the world economy, affecting every country in the world. Should the world suffer from economic recession, both the advanced and developing countries, oil-producing and -importing countries alike will be affected, he asserted. Therefore, he went on, every country in the world should make a common effort to prevent the world economy from being again drawn into the maelstrom of recession.

Suharto also touched on the role of OPEC by stating that OPEC has allowed its member countries to produce at their maximum capacity. Hopefully this is also accompanied by similar concrete steps taken by the consuming countries, because apparently this OPEC's action alone has not been adequate.

Minister Notes Concern Over Rising Oil Prices

BK1510104490 Jakarta ANTARA in English 0949 GMT 15 Oct 90

[Text] Jakarta, Oct 15 (OANA-ANTARA)—Minister of Mines and Energy Ginanjar Kartasasmita here Monday expressed his concern over the recent development of oil prices which have been on the rise lately, because such a situation would be detrimental to the world economy. Speaking to newsmen after a meeting with President Suharto at the Merdeka Palace [presidential palace], the minister further called on industrialized countries to release their oil reserves in order to make the oil prices under control in the wake of the upcoming winter.

From the point of the state budget, we have to be happy with such a development. However, we are very concerned over such a situation, he asserted.

Answering a press question, Minister Ginanjar said that President Suharto didn't give any comment on the recent

rising tendency of oil prices. However, he went on, the head of state has called that Indonesia should continuously follow such a development. According to the minister, the president might express his view on the current development of oil prices at the opening of the first international energy conference here on Tuesday.

He further explained that during the month of October the selling price of Indonesian oil has reached 35.25 U.S. dollar-level per barrel or an increase by more than seven U.S. dollars compared with that of last month, which was recorded at only 28.3 U.S. dollars per barrel. Therefore, the average price of Indonesian oil for 1990 has reached 20.80 U.S. dollars per barrel if counted as from April 1990.

He said that an uncontrolled oil price hike would have a bad impact on the world's economy. He noted that last week's price of Minas Oil reached its highest mark, namely 41.0 U.S. dollars per barrel.

During the meeting, Minister Ginanjar also reported to the president on a planned signing of a contract for the construction of another natural liquefaction train (Train F) in Badak, East Kalimantan, on October 23. The LNG [liquefied natural gas] produced by the Badak's Train F would soon be exported to Japan, he added.

Concerning the first international energy conference, the minister said that the meeting would be attended by three OPEC oil ministers from Algeria concurrently the president of OPEC, Nigeria and Venezuela, as well as OPEC Secretary General Professor Subroto. The three OPEC oil ministers are scheduled to pay a courtesy call on President Suharto on Wednesday.

Muslim Leaders Call for Solution to Gulf Crisis

BK1310134090 Jakarta ANTARA in English 0402 GMT 13 Oct 90

[Text] Jakarta, 13 Oct (OANA-ANTARA)—Indonesia must be more active in finding a peaceful solution to the Gulf crisis, based on the principle of mutual respect, especially as the superpowers cannot do anything now, a leading Muslim figure has said.

Abdurrahman Wahid, chairman of the Nahdlatul Ulema, one of the country's largest Muslim organizations, said here Friday that Indonesia actually is capable enough to bear such a task. After all, the world's major countries today seem to be trapped in a situation where they cannot adopt any step without causing big risks, he said during a seminar on the more than a month long crisis. He also said, the crisis has brought various negative impacts on Indonesia's political, economic, cultural and social life mainly because Indonesia has good relations with the Middle East nations.

In global scope, the crisis may even cause prolonged recession which eventually will also hit Indonesia as it is getting more and more dependent on international market.

One of the most directly felt impacts of the crisis, which started when Iraq invaded Kuwait on August 2, is the large number of Indonesian workers in the Middle East who must return home.

Wahid further said that there is a strong indication that the crisis will be solved through a military means. However, he reminded, a military means will only ruin the existing international political order.

Meanwhile, retired Major General Subijakto, executive chairman of the Indonesian Strategic Studies Institute said, two countries mostly threatened by the crisis are the U.S. and Saudi Arabia. Saudi Arabia is the U.S.' oil source, while the U.S. is the largest investor in oil industry in Saudi Arabia, he said.

If a war breaks out, the world will suffer from the problem of oil scarcity, he said. This means, the Gulf crisis should be settled as soon as possible through a peaceful means, Subijakto said.

The seminar, sponsored by the Institute for the Studies of Human Reosurces (Lepsudami), was attended by 75 participants.

Businessman Urges Balanced Japanese Investment

OW1110052890 Tokyo KYODO in English 0401 GMT 11 Oct 90

[Text] Jakarta, Oct. 11 KYODO—Investment in Indonesia by Japanese corporations tends to concentrate on Chinese-Indonesian companies, but should be more evenly balanced, according to an Indonesian business leader.

Probosutejo, a brother of President Suharto, said in an interview Wednesday with KYODO NEWS SERVICE that Indonesia is politically one of the most stable countries in Asia. But some 100 million people or 60 percent of the population are still living in poor economic conditions, and more investment or technology transfers are required for the nation's farming areas in order to attain healthy economic growth, he said.

As partners of their joint ventures, however, Japanese corporations pick only Chinese-Indonesian conglomerates which are not interested in farming areas, he said. He hopes Japanese companies will consider long-term, balanced investment, including more investment in farming areas, where most of the population lives, he said.

Probosutejo also said it is necessary to set up an antimonopoly law to restrict economic domination by Chinese-Indonesians.

Editorial Discusses Confusion Over Rice Imports

BK1110103090 Jakarta SUARA PEMBARUAN in Indonesian 21 Sep 90 p 2

[Editorial: "On Indonesia's Rice Imports"]

[Text] Indonesia, previously the largest rice importer in the world, has achieved the status of self-sufficiency in rice since 1984. However, efforts to maintain such self-sufficiency are facing serious obstacles.

Major obstacles persist in, among other things, natural disasters, such as floods and prolonged drought, and the proliferation of pests, such as rats and grasshoppers, which recently attacked paddy fields in Java. A delay in creating new paddy fields caused by lack of cooperation among relevant government agencies directly or indirectly is also another major problem.

Efforts to overcome the obstacles have led people in general to believe that the self-sufficient status has so far been successfully maintained. However, against the background of such a situation, two foreign-registered ships have been seen unloading 25,994 tons of rice from the PRC and Thailand at Jakarta's Tanjung Priok port since 13 September 1990. (Reported in the 17 September 1990 edition of BISNIS INDONESIA daily)

The amount of rice imported from the PRC and Thailand is relatively small. However, if the report on the rice imports is true, it will certainly give rise to confusion. It is possible that such an event will invite questions as to whether the government still manages to maintain its self-sufficiency in rice. In other words, has the government imported rice again to replenish the national rice stock?

Such confusion and questions have arisen in people's minds because the daily also reported that as of August 1990 the rice stock under the disposal of Bulog [Logistics Bureau] stood at 1.024 million tons, and by 31 March 1991 the total stock will stand at 791,000 tons only. The amount does not include 220,000 tons of rice loaned to the Philippines and 80,000 tons to Vietnam. All these figures were disclosed by Bustanil Arifin, Bulog chief and minister of cooperatives affairs, at a hearing with Parliamentary Commission VII on 11 September 1990.

The issue will even become more confusing if it is related to the shipment of 320,075 tons of rice into the country in 1989. At that time, Bustanil Arifin denied that they were importing rice. He maintained that they constituted repayment of rice loans to the Philippines and Thailand. If what he said is true, then the two countries already repaid their rice loans in 1989. If that is the case, then what about the recent arrival of the 25,994 tons of rice?

The authorities must make efforts to ensure there is always an adequate stock of foodstuffs, especially rice. They must also maintain the self-sufficient status achieved since 1984. However, it does not mean that they can "conceal" their efforts to procure rice so as to give the misleading impression that they can maintain the self-sufficient status, while in reality they cannot.

Based on this rationale, the real background to the arrival of the 25,994 tons of rice must be clarified to avoid confusion among the people. Obviously, the clarification may include the possibility that such an amount of rice is imported in the framework of the efforts to procure rice. In other words, the clarification will include revelations that the rice shipment currently being unloaded at Tanjung Priok Port is indeed imported to replenish the national rice stock.

Relevant government agencies may feel a little bit uneasy if it is found the rice shipment is aimed at boosting national rice stock. However, if that is the truth and they have an open mind to clarify what is happening, we can reap benefits from the event. In addition to removing public doubts, the event will also serve as a reminder that we need to remove existing bottlenecks toward maintaining the self-sufficiency in rice, especially the lack of cooperation among relevant government agencies we mentioned earlier.

Laos

SRV Fatherland Front Delegation Arrives 11 Oct

BK1210152690 Vientiane Domestic Service in Lao 1200 GMT 12 Oct 90

[Text] A delegation of Vietnam Fatherland Front Central Committee [VFF CC] led by Pham Van Kiet, deputy chairman and general secretary of the VFF CC, left Hanoi and arrived in Vientiane on the morning of 11 October for an eight-day friendly visit to the Lao People's Democratic Republic [LPDR].

The delegation was greeted upon arrival at the airport by Bolang Boualapha, vice chairman of the Lao Front for National Construction Central Committee and a number of cadres concerned. Nguyen Xuan, SRV ambassador extraordinary and plenipotentiary to Laos, was also present at the airport.

During its visit to the LPDR, the delegation discussed with its Lao counterpart the front's affairs in each country and is scheduled to pay courtesy calls on Lao leaders and visit various places and production bases in Vientiane municipality, and Luang Prabang and Vientiane Provinces.

Meets With Lao Front Group

BK1210110790 Vientiane KPL in English 0917 GMT 12 Oct 90

[Text] Vientiane, Oct 12 (KPL)—A meeting between a host delegation of the Central Lao Front for National Construction and a visiting delegation of Vietnam's Fatherland Front took place here yesterday to discuss and exchange views on the front's affairs in each country.

Heading the two delegations at the meeting were deputy presidents of their respective fronts Boualang Boualapha and Pham Van Kiet.

The effort is aimed at making the affairs' development correspond to the new thinking in the interest of the increasingly strengthened special solidarity between Lao and Vietnamese nations.

Two Lao Delegations Meet With Kim Il-song

BK1110142490 Vientiane KPL in English 0908 GMT 11 Oct 90

[Text] Vientiane, Oct 11 (KPL)—Kim Il-song, general secretary of the Workers' Party of Korea Central Committee, president of the Democratic People's Republic of Korea, received on October 9 two Lao delgations, the one led by Sisavat Keobounphan, Politburo member and secrtetary of the Lao PRP CC [People's Revolutionary Party Central Committee], and the other by Mrs. Thongvin Phomvihan, member of the party Central Committee, first secretary of the Lao People's Revolutionary Youth Union Central Committee. The delegations are to attend the celebration of the 45th founding anniversary of the Workers' Party of Korea.

Sisavat Keobounphan, on the occasion, presented to Kim Il-song a message of greetings and a gift from General Secretary Kaysone Phomvihan.

Their discussion went on in a goodwilled and warm atmosphere.

Visit To 'Contribute' to Ties

BK0610152190 Vientiane KPL in English 0916 GMT 6 Oct 90

[Text] Vientiane, Oct 6 (KPL)—A high-level party and state delegation led by Sisavat Keobounphan, Politburo member and secretary of the LPRP CC [Lao People's Revolutionary Party Central Committee], who is also secretary of the party committee and mayor of Vientiane Prefecture, and a delegation of the Lao People's Revolutionary Youth Union Central Committee led by its first secretary, Mrs. Thongvin Phomvihan, left here on Oct 5 for Pyongyang, the DPR of Korea to attend the celebration of the 45th founding anniversary of the Worker's Party of Korea.

The Lao party and state and youth delegations attending the celebration of the 45th founding anniversary of the Worker's Party of Korea will importantly contribute to the strengthening and promotion of the friendly relations and solidarity between the parties, states and peoples of the two countries.

Kaysone Phomvihan Sends Message to Kim Il-song

BK1110133890 Vientiane KPL in English 0922 GMT 11 Oct 90

[Text] Vientiane, Oct 11 (KPL)—General Secretary of the Lao People's Revolutionary Party Central Committee [LPRP CC] Kaysone Phomvihan, on October 5, sent a message of greetings to General Secretary of the Workers' Party of Korea Kim Il-song on the occasion of the 45th founding anniversary of the Workers' Party of Korea [WPK].

The LPRP CC general secretary hailed the WPK's deeds in the national defence and development of Korea, turning the Democratic People's Republic of Korea to a wealthy and mighty country with advanced industry and agriculture. He went on that the DPRK actively contributed to the cause of peace, stability in the region and in the world, thus raising its role in the international arena.

Mr. Kaysone Phomvihan also expressed satisfaction over the improvement and development of the friendship and traditional cooperation between the two parties, governments and peoples of Laos and Korea.

The Lao leader also wished the entire fraternal Korean people success in implementing the resolution of the WPK's congrees and the third seven-year plan of socialist building and success in unifying Korea by peaceful means.

Kim Il-song Sends Thanks

BK1110141790 Vientiane KPL in English 0925 GMT 11 Oct 90

[Text] Vientiane, Oct 11 (KPL)—Kim Il-song, general secretary of the Workers' Party of Korea Central Committee, president of the DPR of Korea, on October 4, sent a telegram of thanks to Kaysone Phomvihan, general secretary of the Lao People' Revolutionary Party Central Committee, chairman of the Council of Ministers of the Lao People's Democratic Republic, and Phoumi Vongvichit, acting president of the republic.

He expressed thanks to the Lao leaders for their greetings to him on the occasion of the 42nd founding anniversary of the Democratic People's Republic of Korea.

President Kim Il-song was also convinced the friendship and the traditional cooperation between the two parties, countries and peoples of Korea and Laos be developed.

On the occasion, Mr. Kim Yong-nam, vice prime minister and minister for foreign affairs of DPRK also sent a telegram of thanks to Mr. Phoun Sipaseut, vice chairman of the Council of Ministers and foreign ministers of Laos.

Phoun Sipaseut Receives Hor Namhong's Letter

BK1110133490 Vientiane KPL in English 0936 GMT 11 Oct 90

[Text] Vientiane, Oct 11 (KPL)—The Lao foreign minister Mr. Phoun Sipaseut on October 11 received a letter of thanks from his Cambodian counterpart Mr. Hor Namhong for the former's warm congratulations over the latter's appointment to the post.

The Cambodian foreign minister expressed his conviction that the fraternal relations, the close solidarity and cooperation between Cambodia and Laos as well as between Cambodia, Laos, and Vietnam would be constantly developed.

Leaders Receive Visiting Duke of Gloucester

Sali Vongkhamsao Welcomes Visit

BK1110143390 Vientiane KPL in English 0928 GMT 11 Oct 90

[Text] Vientiane, Oct 11 (KPL)—H.E. [His Excellency] Sali Vongkhamsao, vice chairman of the Council of Ministers, minister of economy, planning and finance, yesterday received here His Royal Highness Richard Alexander Walter George of the United Kingdom of Great Britain and Northern Island, Duke of Gloucester, president of the British Consultant Company.

The Duke of Gloucester is now on a 3-day official visit to Laos.

H.E. Sali Vongkhamsao, on the occasion, expressed his pleasure at the Duke of Gloucester's visit to Laos and considered it as development and consolidation of friendly relations between Laos and England.

His Royal Highness Richard Walter George arrived here yesterday afternoon and was warmly welcomed at the airport by H.E. Deputy Foreign Minister of Laos Souban Salitthilat and other senior Lao officials.

Phoumi Vongvichit Discusses Ties

BK1310042190 Vientiane Domestic Service in Lao 0000 GMT 13 Oct 90

[Text] Yesterday afternoon, Phoumi Vongvichit, acting president of the Lao People's Democratic Republic [LPDR], received at the Presidential Office His Royal Highness Prince Richard Alexander Walter George, duke of Gloucester of the United Kingdom of Great Britain and Northern Ireland, president of the British Consultant Company. On this occasion, the guest and the host discussed many issues concerning strengthening the friendship relations between the two countries—Laos and the United Kingdom.

His Royal Highness Prince Richard Alexander Walter George informed Acting President Phoumi Vongvichit of the purposes of his visit to the LPDR and his activities during the visit. He also showed his interest in and highly assessed the socioecnomic development of the Lao people in the recent past as well as in the present. The acting president took this occasion to express, on behalf of the Lao Government and people, a welcome to the visit to Laos of His Royal Highness Prince Richard Alexander Walter George, duke of Gloucester, by saying the visit will significantly contribute to further strengthening and bringing about new development in the friendship relations between the two peoples of Laos and the United Kingdom.

Michael Ramsey Melhuish, ambassador extraordinary and plenipotentiary of the United Kingdom to Laos whose office is situated in Bangkok, also accompanied His Royal Highness Prince Richard Alexander Walter George in paying the call on Phoumi Vongvichit on this occasion.

Later, this morning His Royal Highness the Prince left Vientiane for home after a four-day visit to the LPDR. During the visit he met with many Lao leaders and personalities who are in charge of economic, financial, trade, and other affairs.

Kaysone Phomvihan Greets Bulgarian Premier

BK1310084690 Vientiane Domestic Service in Lao 1200 GMT 12 Oct 90

[Text] Recently, His Excellency Kaysone Phomvihan, chairman of the Council of Ministers of the Lao People's Democratic Republic, sent a greetings message to His Excellency Andrey Lukanov, chairman of the Council of Ministers of the People's Republic of Bulgaria, in Sofia. The message reads as follows:

On the occasion of your excellency's election as chairman of the new Council of Ministers of the People's Republic of Bulgaria, on behalf of the Lao Government, the Lao people, and in my own name, I would like to convey to your excellency warm greetings and best wishes. I am convinced the relations of friendship, solidarity, and cooperation in many fields between our two countries will be increasingly consolidated, promoted, and strengthened for the common interests of the peoples of our two countries and in the interest of peace. I wish your excellency good health and success in carrying out your noble cause.

On the same occasion, His Excellency Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs, has also sent a greetings message to His Excellency Boiko Georgiev Dimitrov, minister of foreign affairs of the People's Republic of Bulgaria.

Current Political 'Crisis' in Thailand Analyzed

BK1210122590 Vientiane Domestic Service in Lao 0500 GMT 9 Oct 90

[Unattributed article: "Will the Chatchai government be able to overcome the current crisis of faith?"]

[Text] Respected listeners, the current political situation in Thailand is considerably tense because numerous conflicts have emerged among the parties in the coalition government and pressure has been built from various outside sources. Due to this development, the Chatchai II government has run into more problems in trying to overcome public criticism. How has this development occurred?

This situation has emerged following a recent major cabinet reshuffle. Even though Thai Prime Minister General Chatchai Chunhawan tried to explain in a reasonable manner that the cabinet reshuffle was carried out in response to public demand and was aimed at doing away with or playing down the allegedly corrupt image of certain cabinet members and at improving the efficiency of the government's performance, certain groups of house members attached to the political parties in the coalition government disagreed with the cabinet

reshuffle. Commenting on the reshuffle, some of them said it was a step backward because some outsiders were appointed to three important ministerial posts in the new cabinet, prompting the public to believe no other house members attached to the coalition parties were capable to assume those posts. As a result, the people might eventually lack confidence in the parliamentary system.

Some house members disagreed with Prime Minister General Chatchai Chunhawan in allowing the Social Action Party—a political party widely criticized by the public for having engaged in corruption—to remain in the government. As for the other coalition parties, such as the Ratsadon Party, at first they did not seem to have any problems with the reshuffle. However, shortly after the cabinet reshuffle was carried out, some house members in the Ratsadon Party attacked the government by claiming the allocation of ministerial seats to house members in each party on the basis of the ratio of seats it holds was not justly abided by. For example, a ministerial post was allocated to the Ratsadon Party on the ratio of one minister per seven house members while the other parties were allocated the seats on the ratio of one to five. They even charged the cabinet reshuffle was unfair and constituted a slap in their face.

Another scandal which recently occurred within the Chatchai II government has involved Police Captain Chaloem Yubamrung, minister attached to the Prime Minister's Office, and Mr. Banhan Sinlapa-asha, interior minister. The conflict was kicked off when Police Captain Chaloem Yubamrung charged that a junior police officer in Suphan Buri Province was prejudicially accused of an attempted murder after a car he drove had hit a canvasser of an influential house member of the Chat Thai Party from that province.

Positively speaking, it can be said the sequence of political events currently emerging in Thailand are merely normal political and social phonemona. They can occur in Thailand or any other country. Nonetheless, the opposition parties and some dark influential groups—sometimes called the forces outside the system—have seized the opportunity to use these events as pretexts to undermine the government's credibility. These matters involve the (?overall performance of the government) or the rising oil prices caused by outside factors, which have consequently caused price increases of other consumer goods. These developments have created tremendous pressure on the Chatchai government in various ways. The opposition parties want to create a crisis of faith in the government among the public to force General Chatchai Chunhawan to resign or to dissolve the parliament.

Many political observers pointed out the current political crisis in Thailand has stemmed partly from a conflict of interest among politicians who, within the opposition parties in particular, have claimed they are more capable of solving national problems than their incumbent counterparts in the government. This is only an attempt aimed to build public confidence in these groups so one of them can become the next prime minister of Thailand. Throughout the history of politics in Thailand, a person who comes to assume the prime ministerial post will not be able to survive in his position very long if he lacks the support of the military.

As for the government of General Chatchai Chunhawan, at first many well-known politicians predicted it would fall within six months to a year. However, General Chatchai Chunhawan—the first prime minister of Thailand to take office as a result of parliamentary elections—has managed to maintain his administration for more than two years so far. It should be noted that judging from its performance over the past two years, this government appears to be more democratic than any previous government. Moreover, the Thai economy has also enjoyed impressive growth at the rate of between seven and 11 percent per year. Many problems in Thai society have also been resolved. However, observers also said many other problems still remain unresolved. Of course, no particular person is ever able to resolve these problems overnight.

Nonetheless, several questions still remain unanswered: Will the current internal bickering among the coalition parties force General Chatchai Chunhawan to reshuffle his cabinet for the third time? How much longer can the three outsiders who have been invited to join the Chatchai II government tolerate criticism and opposition from elected house members?

All this depends on Prime Minister Chatchai Chunhawan's ability to harmonize the interests of the various interest groups within his government.

General Chatchai Chunhawan firmly told the press on 3 October there would be no house dissolution. He asked the Thai media to stop presenting conflicting news reports to the public for they may create confusion among the Thai people. He pointed out the government has managed to control commodity prices while oil prices are gradually coming down.

Seminar on Narcotics Inspection Held 1-9 Oct

BK1010164190 Vientiane KPL in English 0920 GMT 10 Oct 90

[Text] Vientiane, Oct 10 (KPL)—The Lao National Committee for Narcotic Control in cooperation with the US customs organization and the US Embassy in Laos organized here on October 1-9 a seminar on narcotic inspection for 35 Lao customs and police officers from throughout the country.

Having brought together Lao and American customs officers to exchange professional experiences, the seminar ended with success.

In their closing speeches, Mr. Souban Salitthilat, president of the Lao National Committee for Narcotic Control and Mr. Charles B. Salmon, US charge d'affaires, reiterated the need for the two sides to further cooperate in this field.

Editorial Warns Against Enemies' 'Schemes'

BK1110150190 Vientiane Domestic Service in Lao 0430 GMT 10 Oct 90

[Editorial: "Resolutely Foil the Enemies' Schemes for the Benefit of the People's Peace and Tranquility"]

[Text] In the year 1990, the entire party, Army, and people nationwide are joyously striving for achievements in tribute to the four great historic events. At the same time, this is also the last year of the second five-year state plan and the year to prepare for the fruitful implementation of the third five-year state plan. Therefore, everyone must strive to enhance further the 35-year-old leadership of the Lao People's Revolutionary Party in all spheres of work.

As the entire party, Army, and people are proud of these historic events, our country is still confronting subversive schemes in many aspects. For instance, the adversaries have tried to create tension and unrest in provinces and districts by sending spies to mingle with the people in the localities and to infiltrate state offices and organizations. In the political area, they have intensified their propaganda efforts against our revolution, trying to separate the Lao people from our party's direction, line, and principle and have even attempted to weaken our country by subtle means. In the cultural and social areas, they have employed exotic tricks to mislead Lao youths into discarding our fine customs and traditions and adopting indecent behavior. Moreover, the adversaries have incited youths and students into ignoring their studies and work and indulging in an extravagant way of life. This is unacceptable to our new regime.

Our police and military personnel have also become the target of various forms of their economic offensive. For example, they use gifts to create intimacy with our police cadres attached to offices and organizations to corrupt them and induce them to abandon their duties; strive for personal gain; disregard the interests of the state, collectivity, and society; and engage in trade activities to earn more money to afford their lavish spending. The adversaries schemes also aim to creating internal disunity among policemen and officers and rifts between police cadres and the people.

In light of these circumstances, we, police officers and men, must remain vigilant and ready to crush all sinister schemes of bad elements to maintain fundamental political tranquility nationwide and secure safety in all districts and localities. To achieve this goal, party committees, commanding staff, and political cadres at all levels must pay attention to the task of maintaining peace and order and exert all their efforts to carry out the duties entrusted by their higher echelons.

At the same time, the people must be mobilized to turn to the grass roots to develop villages and participate in the task of defending peace and order. It is important the people be instructed how to differentiate between friends and enemies. They must know our enemies and friends and be well informed of the enemies's sinister schemes. They must be properly organized to faithfully serve the party, because the task of defending the country and maintaining peace and order are closely linked to economic, cultural, and social undertakings among other things.

If we are unable to effectively secure peace and order, other spheres of work will also be affected. The enemies will take the opportunity to destroy us easily. The task of maintaining peace and order must be based on education to defend our society and achievements. We must be drastic, in accordance with the country's laws, in dealing with those who deliberately act against our party's line. In so doing, we must comply with the party's line and policy—not the extreme left or right. Hence we will certainly be able to defeat the enemies's schemes and secure tranquility, peace, and order in our country.

Philippines

Aquino: Base Talks Pursued in National Interest

HK1610105790 Quezon City Radyo Ng Bayan in Tagalog 1035 GMT 16 Oct 90

[Text] President Corazon Aquino today announced that the final result of the talks regarding the future of the U.S. military facilities in the country is still being studied by both sides. The positions by the Philippines and U.S. panels have already been presented during the second round of talks. The president said that included in the negotiations are matters which pertain to the prime interests of both sides, including sovereignty, security, and economic progress:

[Begin Press Secretary Tomas Gomez III recording in English] The final outcome of the talks on the bases remains reworked out even if both sides have articulated their respective positions. [sentence as heard] The negotiations involve a range of vital interests of sovereignty, to security, to economic progress. We remain hopeful that both the process and results will be pursued in our national interest even as we do so in the context of the fact that we are dealing with a sovereign ally of long standing. [end recording]

Evacuation Plan Ready for 500,000 Gulf Workers

HK1710094190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Oct 90

[By Rey Arquiza]

[Text] Foreign Affairs Undersecretary Pablo Suarez said the government has prepared another contingency evacuation plan for the 500,000 Filipino workers in Saudi Arabia in the event war erupts in the Gulf. He said that

the home office has ordered the Philippine Embassy in Riyadh to prepare again a contingency plan in preparation for the imminent trouble in the Gulf. Our intention is to be ready in the event a war erupts there, Suarez explained. However, he said that the readoption of a contingency plan does not stop the multinational forces led by the United States from attacking Iraq.

Earlier, the wire agencies in Baghdad reported that if the U.S. attacks Iraq, Iraq will in turn attack Israel and the world's forces can continue with their conspiracy [as heard]. Identified as strongholds of conspiracy are Saudi Arabia and other Arab countries which support the multinational force in the Gulf headed by the U.S., following Iraq's invasion of Kuwait on 2 August.

Suarez said that the country has given the Philippine Embassy in Riyadh the appropriate funds for the preparation of a contingency plan. Suarez added that should the funds run short, Filipinos based in the troubled area will help so that an orderly evacuation will be carried out. He stated that based on the plan, they have already formed a group to coordinate with the Filipino workers there, and that should war erupt at the Saudi-Iraq border, the plan is to evacuate Filipinos to the southwest portion of Saudi Arabia because commercial flights to Riyadh would very likely be suspended.

Government Seeks Taiwan Support of Aid Plan

HK1710024590 Manila BUSINESS WORLD in English 17 Oct 90 p 1

[By Jose G. Ebro]

[Text] The Philippines is seeking Taiwan's participation in the next Philippine Aid Plan's pledging session, Finance Secretary Jesus Estanislao yesterday said, as he admitted meeting with ranking Taiwanese finance officials. Mr. Estanislao said he had met with the Taiwanese Central Bank governor in his capacity as governor for the Philippines in the Asian Development Bank (ADB).

"ADB is part of the MAI (multilateral assistance initiative)," he noted. "And, as chairman of the CCPAP (coordinating council of the PAP), I would be interested in finding out how the member countries of the ADB, including Taiwan, can participate in the pledging session the next time around."

"They (Taiwanese) are looking into the possibility. They are open to the idea. They would be delighted to come in", Mr. Estanislao said.

Asked whether he had, in fact, gone to Taiwan, Mr. Estanislao replied: "I admit that I was talking with the Central Bank governor of Taiwan. There may be other places, like Hong Kong."

He denied there was a quid pro quo to Taiwan's participation. Taiwanese officials have dangled substantial financial assistance in return for diplomatic recognition. "I didn't get that demand coming from them," Mr. Estanislao said. "They fully respect that we have diplomatic relations with China."

Official 'Concerned' About Japanese Peace Bill

OW1610073990 Tokyo KYODO in English 0707 GMT 16 Oct 90

[Text] Manila, Oct. 16 KYODO—Philippines Foreign Affairs Secretary Raul Manglapus said Tuesday the Southeast Asian region is concerned about a United Nations Peace Cooperation Bill introduced by the government of Prime Minister Toshiki Kaifu in the Japanese parliament.

"There is a general feeling in the whole region of concern because of recollections of what took place during World War II," Manglapus told reporters hours after the bill was submitted to the Diet.

Manglapus said that in the Philippines, the strong feelings were most notable among Filipinos who were "affected by the (Japanese) occupation." The Philippines is one of the countries in the region briefly colonized by Japan during its drive to set up the "Greater Asia Co-prosperity Sphere" during World War II.

The Philippine foreign affairs secretary was among those imprisoned and tortured by the Japanese Imperial Army for his guerrilla activities during the war.

He said the international community also shares the strong sentiment in the region. "In general, the world would be wary about seeing the reemergence of Japanese military power," he said. Manglapus, however, said there were "no clear signs" that Japan is actually rearming itself 45 years after it was defeated in the last world war. "All we hear are words, words. I don't see any actual moves," he said.

'Worried' About Military Role

HK1710025190 Manila BUSINESS WORLD in English 17 Oct 90 p 12

[By Jose G. Ebro]

[Text] The Philippines, along with other countries in the region, are worried about a possible Japanese military role in the Gulf, Foreign Affairs Secretary Raul Manglapus said.

"They're talking not just about an increased role, but troops and I can understand why. This is something that obviously, not everybody wold like to see happen—namely, the reemergence of Japan as a military power."

Recently returned from New York where he attended the UN General Assembly, Mr Manglapus said his meetings with other foreign ministers revealed "there is a general feeling of concern in the whole region because of a recollection of what took place in World War II."

There are pending legislative proposals before the Japanese Parliament to amend its Constitution to allow the

sending of military troops to the Middle East "commensurate with Japan's role as an economic power."

Foreign affairs officials said the U.S. was trying to use the Gulf crisis to force Japan "to come out of its shell and take responsibility for a greater share of the burden of maintaining stability in the world."

At present, the Japanese Self-Defense Forces limit their force projection to a 1,000-mile radius.

"This Gulf crisis has threatened the Japanese. There is a stronger perceived need to secure access to their lifeline of oil and resources," an Asian diplomat said.

This would mean a higher military profile for Japan at a time of waning superpower rivalry. "The U.S. may be thinking of passing the torch to Japan somewhere down the road," a European diplomat commented, "and this is what worries the people around here."

Erring Cabinet Members Warned of Dismissal

HK1710020390 Manila Far East Broadcasting Company in Tagalog 0100 GMT 17 Oct 90

[Text] President Aquino yesterday warned cabinet members that she will not hesitate to dismiss them if they are proven to be in error even if she is at the last stage of her term. She reiterated that she wants to be a good example and warned her relatives not to take advantage of her position as head of state. As proof, her family's properties in Tarlac, i.e. Hacienda Luisita, are under the government's Comprehensive Agrarian Reform Program. With her setting the pace, she expects that her cabinet members will follow her example.

Meanwhile, the president clarified that there will be no cabinet revamp but there might be cabinet replacements if the members are proven to be in error. She also made it clear that she has no plans to dismiss Trade and Industry Secretary Jose Concepcion in spite of widespread public criticism against him. Mrs Aquino said she is still waiting for the results of ongoing investigations on Concepcion's case and on those she will base her decision.

Squad Defuses Bomb at Makati Food Plaza 15 Oct

HK1510101590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 15 Oct 90

[Text] Members of the Makati Bomb Squad and Army Bomb Disposal Team were able to defuse a bomb placed along a row of eateries at the Makati Food Plaza located at the corner of Pasong Tamo and Pasay Road, Makati, Metro Manila, this morning. If the authorities had not removed the bomb on time it would have exploded and destroyed all the stalls in the eatery.

According to explosives experts, the explosion could have wrecked all items within 10 meters of the bomb. The bomb, ammonium nitrate to which a fragmentation grenade and booby trap mechanism was attached, was found in a plastic bag placed on top of a chair at one of the eateries at the Food Plaza. This was immediately noticed by a waiter named Danilo Limcangon who reported the matter to a security guard.

Ramos Rejects NDF Nine-Point 'Peace Agenda'

HK1610040390 Manila MANILA BULLETIN in English 16 Oct 90 p 9

[By Aris R. Ilagan]

[Text] Defense Secretary Fidel V. Ramos rejected yesterday the nine-point "peace agenda" of the National Democratic Front (NDF), the political arm of the Communist Party of the Philippines (CPP), saying that they are "going beyond the limits of the peace process initiated by the government and guided by the previous statements of President Aquino."

"I think that the NDF is just trying to gain more turf, more clout and a posture of greater strength at the expense of the Armed Forces of the Philippines (AFP) and the law enforcement agencies," Ramos said.

The NDF has reiterated its call for a national peace dialogue but proposed a nine-point agenda which, it claimed, is aimed at solving the problems of the country.

The NDF agenda were as follows:

1. Removal of the U.S. military bases and troops by 1991.
2. Abandoning of the economic program drawn up by the government and the International Monetary Fund.
3. Implementation of "genuine agrarian reform."
4. Upholding and protection of human rights and reorientation of the military.
5. Weeding out of graft and corruption in the government.
6. Upholding of the right to self-determination and the grant of genuine autonomy to cultural communities.
7. A stop to destruction of the environment.
8. A moratorium on debt service payments for the next five years and selective repudiation of foreign loans.
9. Grant of adequate wage adjustments for private sector workers, government employes, and teachers.

"How can they (NDF) talk about embracing the AFP when the NDF has not even renounced the armed struggle," Ramos asked as he quoted their statement saying: "We (the NDF) offer our hands to our compatriots in the AFP in fraternal unity."

Ramos said that the national government should be "very careful" on the agenda of the NDF which he branded a "trap" aimed at giving the CPP-NPA-NDF [Communist Party of the Philippines-New People's Army-National Democratic Front] "the influence and the position of credibility that they have lost."

Communist Rebels Killed in Negros Encounter

HK1710094990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Oct 90

[Text] Five communist rebels were killed by government soldiers while many others were reported injured after an encounter in Negros Occidental yesterday.

According to a report received by Army commanding general Major General Guillermo Flores, the encounter between the 6th Infantry Battalion and the rebels occurred yesterday at 1500 in barangay Moises Padilla in the province. The Army chief also reported that the encounter lasted for almost an hour before the rebels fled to different directions.

Government soldiers recovered various types of high-powered firearms left behind by the fleeing rebels.

Quake Rehabilitation To Cost 11.5 Billion Pesos

HK1710025390 Manila BUSINESS WORLD in English 17 Oct 90 p 2

[Text] The estimated costs for funding Government's rehabilitation efforts in quake-damaged areas have increased to P [pesos] 11.5 billion as of October 13, Jose de Jesus, Presidential Executive Coordinating Secretary for Human Resources and Public Welfare, said yesterday.

Of the projected amount, 68.3% will be allocated for projects involving road networks, bridges, irrigation and flood control, while 21% will be tapped for social infrastructure, Mr. de Jesus told a briefing for newsmen.

He also said President Aquino has already authorized the release of more than P4 billion for the fast-track implementation of rehabilitation programs, allocated as follows:

—P2.69 billion for roads, bridges, irrigation and flood control;
—P383.08 million for other vital infrastructure;
—P1.015 billion for social infrastructure;
—P43 million for livelihood and emergency employment; and
—P21.7 million for municipal buildings, public markets and similar infrastructure.

Of the aggregate, Regions I and III will receive the bulk of fund allocation with P1.48 billion and P1.27 billion, respectively. Inter-regional projects are slated to receive P285.2 million while emergency relief, operations and livelihood assistance expenditures will amount to P400.65 million.

Mr. de Jesus revealed that Malacanang and Congress have agreed to amend Republic Act No. 6960, which authorizes the Executive to allocate up to P10 billion for quake relief projects, to factor in additional cost estimates. The consensus was reached in a meeting between the Presidential Task Force on Rehabilitation, headed by Mr. de Jesus and the House of Representatives Oversight Committee on Rehabilitation, chaired by Rep. Rolando Andaya of Camarines Sur.

The World Bank [WB] Board approved last week a $100 million loan for the reconstruction of infrastructure damaged by the killer July 16 quake. The loan covers infrastructure repairs for Regions I, II, III, IV, the National Capital Region, and the Cordillera Autonomous Region.

According to a press statement, the WB loan will go into the reconstruction of roads, bridges, earthquake-damaged houses, medical facilities and irrigation facilities in the said areas.

The loan will mature in 20 years inclusive of a five-year grace period and carries the WB's standard variable rate as interest, currently pegged at 7.72% per annum.

The WB Board also cited the Philippine Government for having packaged a well-designed project and commended the short response time of three months which is the shortest of the 12 emergency loans over processed by the WB for the Asian region.

The bank's board also approved the $46.2-million Second Communal Irrigation Project Loan which will finance the construction of new communal irrigation systems and the rehabilitation of existing ones, the development of communal irrigator associations, strengthening of the National Irrigation Administration, and agricultural support services.

Thailand

Government Pressured To Soften Cigarette Stand

BK1710073890 Bangkok BANGKOK POST in English 17 Oct 90 p 17

[Text] Thailand yesterday accused the United States of attempting to pressure Thailand's cigarette negotiating team into softening its stand on the two remaining non-GATT issues, distribution and advertising.

In a strongly-worded statement, the Commerce Ministry said Washington's move was obviously in line with the Office of U.S. Trade Representatives' [USTR] announcement published in Federal Register on October 15 that the USTR would seek public comment in the U.S. concerning its plan to exercise Section 301 of the 1988 Trade Act against Thailand in regard to the cigarette dispute.

In the announcement Washington said it wanted to sound out public opinion on whether Thailand's ban on imported cigarettes is considered as violating U.S. rights to distribute its products in Thailand in accordance with GATT (General Agreement on Tariffs and Trade).

Also to be asked is whether other measures and regulations announced by the Thai Government in relation to cigarettes were unfair and seen as a trade blockade, and what retaliatory measures should be exercised by Washington.

The ministry's announcement noted that Washington's move was only one day before American and Thai authorities began their three-day meeting in Washington—starting from yesterday—to resolve the cigarette problems. The announcement said further that the U.S. attempt was to put pressure on the Thai negotiating team to soften its stand, specifically on the two topics not covered by GATT, distribution and import procedures of imported cigarettes, and its advertising.

Thailand has earlier agreed to abide by GATT's resolution to open its market to foreign cigarettes and recently restructured the business and excise taxes to the same level as those levied on locally made products.

GATT's resolution has failed to satisfy the U.S. which has asked Thailand to comply with another two requests on cigarette distribution and advertising, or face trade retaliatory measures under its Section 301. Thailand is now included in the priority watch list.

The ministry went on to say that the U.S. had continuously applied similar tactics during past months by repeatedly announcing it would publish on October 5 a specific product list of items against which the U.S. might take retaliatory measures under Section 301 against Thailand for its refusal to open its market for American cigarettes. The U.S. however, decided not to publish the "hit list" pending the outcome of negotiations with the Thai team.

Meanwhile, a source in the ministry said a Thai anti-smoking campaign group was cooperating closely with its American counterpart for the latter to strongly protest the ongoing meeting between Thai and American authorities on cigarette issue. This was based on the grounds that the kingdom had already agreed to comply with a resolution under the umbrella of multilateral trade forum. It also asked the U.S. antismoking group to convey the message that Thailand fully deserves the right to draw up regulations concerning cigarette distribution, advertising and consumption control.

Daily Cites Air Force Chief on Military Action

BK1710020490 Bangkok THE NATION in English 17 Oct 90 pp A1, A2

[Report by Kokhet Chanthaloetlak and Naowarat Suksamran: "Air Force Chief Warns of 'Military Intervention'"]

[Excerpt] Air Force chief ACM [Air Chief Marshal] Kaset Rotchananin, in a bold political interview, yesterday said the military will take action to clear the cloudy political situation only when the public comes out and openly calls for it. He said the military had received letters calling for it to intervene in politics, but added that they did not constitute public opinion as such. "We are not MPs. Every MP can claim that he is following public opinion," he said.

Kaset also urged the government to resolve problems in the ruling coalition parties and to tackle head-on the persistent rally organized by a group of Ramkhamhaeng student activists as quickly as possible. "If the government cannot handle it, it can let the military take care of the rally because we, too, are part of the administration," Kaset said. He added that if there were "no problems" with the coalition parties, the Chatchai government would certainly survive until the end of its four-year term. The military, he said, would step in when there are obvious "security reasons" to do so.

Kaset, like other top-ranking military officers, denied any connections between the military and the anti-government activists, one of whom, a second-year Ramkhamhaeng student named Thanawut Khlingchua, caused a furore when he torched himself to protest against the government at the campus rally last Sunday. The rally reportedly swelled to thousands at Ramkhamhaeng University last evening by curious people returning home from work but dispersed later at night. [passage omitted]

Minister on Group's Role in Student Rallies

BK1710061190 Bangkok THE NATION in English 17 Oct 90 p A2

[Text] Interior Minister Banhan Sinlapa-acha yesterday confirmed that the government suspected the shadowy Revolutionary Council (Sapha Patiwat) led by senior communist defector Prasoet Sapsunthon was responsible for the anti-government rallies held by a group of Ramkhamhaeng student activists.

But Banhan, who is also secretary general of the ruling Chat Thai Party, said the governmenent did not have any evidence to incriminate the group. "We cannot take any legal action against the group but I have instructed the Special Branch Division of the Police Department to keep a close eye on the movement's activities," he said. He said leaders of the rallies at Government House and on the campus of the Ramkhamhaeng University were the same group of people who staged a rally at Sanam Luang and moved the mob to the front of the Chitlada Palace early this year. The political situation was then tense as it remained unclear whether Gen [General] Chawalit Yongchaiyut would join the Cabinet following his resignation from the armed forces.

Banhan said police would not hesitate to arrest those who masterminded the anti-government activities if they gathered strong evidence against them. No rallies which may lead to unrest are expected to come about during the premier's visit to Britain and Switzerland, he added. He also said the premier entrusted him with the duty to monitor and control the situation before he left for Britain on Monday night. Police were also looking into the possibility that some of the activists had been drugged. "Some of them showed symptoms of dizziness," he said.

Social Action leader M.R. Khukrit Pramot said yesterday he did not believe that the Ramkhamhaeng student who set himself on fire had been hired to do so. But Khukrit said it was probable that the group of the

students who held rallies on the campus of the open university and at Government House received outside support to stage the campaign against the Chatchai government. The former premier also said the anti-government move had backfired and affected the credibility of the student movement. It was in sharp contrast with the past student activities leading to the democratic uprising against the government of former premier Field Marshal Thanom Kittikhachon in Oct 14, 1973, Khukrit said.

He added that the student activists in 1973 came up with clear demand for the government at that time to give a constitution to the people, but the Ramkhamhaeng student activists called on the government to step down with a very ambiguous excuse that it was plagued with corruption. "There are corrupt people in any government," he said.

TV Stations Urged To Impose Self-Censorship

BK1710045090 Bangkok BANGKOK POST in English 17 Oct 90 p 1

[Text] The five television stations in Bangkok were yesterday asked to impose self-censorship on news coverage of public unrest and graphic footage of horrific incidents. The directors of Channels 3, 5, 7, 9 and 11 were invited to meet Deputy Prime Minister Sanan Khachonprasat in his capacity as chairman of the Broadcasting Directing Board (BDB), which controls television and radio stations throughout the country.

Maj-Gen [Major-General] Sanan asked that the stations take into consideration which images should or should not be viewed by the public, especially footage which showed unrest or horrific incidents. He also said that in interviews, both sides of an argument should be presented.

Reporters should be warned against seeking comment from certain personalities on reports based on hearsay, Maj-Gen Sanan said, adding that this could cause divisiveness. They should also be told not to ask leading questions. Maj-Gen Sanan asked that he be informed if the television station directors faced problems complying with his request.

Yala Provincial Council Candidate Murdered

BK1710064590 Bangkok BANGKOK POST in English 17 Oct 90 p 3

[Text] Yala—Two people, a candidate for the Yala Provincial election and his friend, were shot dead on Monday afternoon while riding in a pick-up truck in this southern provincial capital.

Police said Yuso Mana, 42, a Solidarity Party candidate, and his friend, Madali Botula, were killed while returning from a political campaign. Two unidentified gunmen laying in ambush opened fire at them with pistols. Police said the motive for the shooting was a personal conflict. Police are investigating. Last Sunday, Apdun Afae, a headman of Village No. 4 in Raman district here, was shot dead by three gunmen.

All three victims were reported to be involved with the Yala provincial assembly election which takes place this Saturday. Yala police chief Col [Colonel] Thani Thawatsi yesterday ordered a crime sweep on hired gunmen before the election. Yala MP [member of Parliament] Wan Muhammatno Matha yesterday said the murders had shaken public morale. He said that Yala MPs will urge the Zone 4 Police Commissioner and the Interior Minister to order a speed-up of the investigation.

Environmental Ministers Adopt New Declaration

BK1710083390 Bangkok BANGKOK POST in English 17 Oct 90 p 2

[Text] Environment ministers of Asia and the Pacific yesterday adopted a wide-ranging declaration on environmentally sound and sustainable development in the region. The 32-point declaration aims to protect the environment on national, regional as well as global levels with all donor governments and agencies to make appropriate voluntary contributions so that actions identified can be implemented.

Forty-one countries deliberated over the declaration which was adopted on the final day of the ministerial-level conference on Environment and Development.

The declaration recognises the urgent need for all countries to intensify efforts to protect and improve the quality of the environment by adapting an approach in which economic growth should be directed towards environmentally sound and sustainable development.

Acknowledging that the major cause of the continuing deterioration of the global environment is the unsustainable pattern of production and consumption, particularly in the industrialised countries, the declaration stresses the responsibility for containing, reducing and eliminating environmental damage must be borne by the countries causing such damage in accordance with their capabilities and responsibilities.

Another point in the declaration, which was heatedly debated before reaching an agreement, is recognition of the sovereign right of individual states to exploit their own resources pursuant to their social, economic and environment policies, ensuring that activities within their jurisdiction or control do not cause damage to the environment of other states or of areas beyond the limits of national jurisdiction.

The ministers pledged full support for the UN Conference on Environment and Development to be held in Brazil in 1992 and called on ESCAP [Economic and Social Commission for Asia and the Pacific] to prepare the regional contribution to it.

Bomb Explodes in Burmese Embassy Compound

BK1710052990 Hong Kong AFP in English 0454 GMT 17 Oct 90

[Text] Bangkok, Oct 17 (AFP)—A bomb exploded Wednesday in the Burmese Embassy compound here, causing light damage and no injuries, police said. This was the second bomb attack this year on the embassy.

Reacting to the incident, a senior Burmese Embassy official called on Thailand to expel illegal immigrants from neighbouring Burma, where generals seized power two years ago in a bloody coup to crush a nationwide pro-democracy movement. "It is too early to make a judgement now on who is responsible for the bombing incident. But I would say that there are too many illegal Burmese immigrants here, with some belonging to anti-government insurgent groups," Deputy Chief of Mission Tint Htoon said. The Thai Government "should get rid of them according to international law," he said. Mr. Tint Htoon said he suspected the incident, which took place at 2:45 A.M., was politically motivated.

Police described the bomb as a home-made device. It went off in the embassy grounds, a few meters (yards) away from the visa section, shattering four windows. Police said they did not know who was responsible for the attack but suspected that it was done by the same people who threw a hand grenade at the embassy in July, again without causing injuries. No arrests have been made following the July incident, they said.

Thousands of Burmese students fled to Thailand after the September 1988 coup in Burma for fear of persecution. Some have taken shelter in areas controlled along the Thai-Burmese border by ethnic minority insurgents fighting Rangoon government forces, but others have come to Bangkok where there have been a number of demonstrations ouside the embassy.

The last such demonstration was in August with about 150 dissident students gathering in front of the embassy to commemorate the second anniversary of a massacre in Rangoon when troops opened fire on unarmed demonstrators during the period of unrest that led up to the military coup.

10 Karen Rebels Arrested at Burmese Border

BK1410093090 Hong Kong AFP in English 2123 GMT 11 Oct 90

[Text] Bangkok, Oct 11 (AFP)—Thai police on Thursday arrested a group of Karen rebels at the northern border and seized a number of weapons they were allegedly trying to smuggle to Burma, state-run television reported.

Ten Karen rebels were arrested at the border district of Khun Yuam in Mae Hong Sorn Province as they were about to cross the border to Burma with a group of Thai villagers forced to carry weapons at gunpoint, the report said.

Karen is one of a dozen of minority insurgent groups fighting the Rangoon government for regional autonomy.

Police said it was not immediately known why the Karen rebels were in Thailand, but the report quoted one police official as saying he suspected the guerrillas came here to smuggle weapons of war to their stronghold in Burma.

Police Seize Arms Bound For Khun Sa Group

BK1710063390 Bangkok THE NATION in English 17 Oct 90 p A4

[Text] Crime Suppression Division police seized a large cache of military weapons and arrested a woman in Chiang Mai last Friday. After searching a house in Mae Suay district, a team of 10 crime suppression policemen found 11 machine guns, four AK-47 assault rifles, and 13,000 rounds of AK-47 ammunition hidden at an orchard beside the house.

The officers arrested Worakhruenoi Pradapphon, 43, on charges of possession of military weapons with intent to sell. Worakhruenoi told police that three other suspects, Chatchai Pradapphon, Chamlong Onsiri and Manop (surname unknown) escaped from the house before their arrival. She reportedly confessed that the weapons were to be sold to troops of notorious narcotics kingpin Khun Sa.

Firm Forms Joint Fishing Venture With SRV

BK1510060890 Bangkok THE NATION in English 15 Oct 90 p B4

[By Aphisak Thanasetthakon]

[Text] Sirichai Overseas Fishery Co and Vung Tau Fishing Enterprise recently formed Vietnam's second fishing joint venture to invest in a wide range of fishery businesses which encompass catching to storing and feed meal production.

SV Fishery Co was incorporated in Vietnam with a registered capital of $500,000. The Bangkok-based fishing concern holds 75 percent stake in the venture with an option that the Vietnamese partner may raise the equity in the company to 50 percent, said Wichan Sirichai-ekkawat, managing director, who is also president of the fledgling joint venture.

On Saturday, the Thai partner first sent a fishing fleet comprising 14 trawlers with 50 tonnes of capacity each to the Vietnamese waters for the first catch. Six months from now, the joint venture will make further investments in related industries which include a cold storage and a shipbuilding and maintenance facility. It may also consider increasing the size of the fishing fleet.

Under the contract, the firm has to start any of this related businesses within one year after the fishing fleet starts operation in the Vietnamese waters. Wichan estimated the whole investment package to cost up to $5 million. SV Fishery Co is authorized to catch fish for 15

years in Vietnamese territory. When the contract expires, the firm may seek renewal or extension from the respective authorities.

The joint venture was promoted by the Vietnamese government, and thus can import machinery and equipment free of tax. It is also entitled to pay only 20 percent of corporate tax on net earnings. "Part of the catch will be exported to Thailand, which has to import increasing amounts of marine products from abroad," Wichan said.

The project represented an individual company's attempt to clinch fishing deals with the Vietnamese government instead of joining the Thai Fishery Department in its plan to set up a Thai-Vietnamese Fishery Co, which should serve an official channel for trawler operators to do business in Vietnam. Wichan said that his project will not ruin the effort of the Thai Fishery Department, but enhance cooperation between both countries.

Sirichai Overseas Fishery Co, formed three years ago, had been granted a concession to fish in the Vietnamese waters before rampant illegal fishing promtped Hanoi to cancel all fishing contracts it had with foreign businessmen. The formation of the joint venture was seen as Wichan's fresh attempt to make a comeback to this resource-rich country.

In the absence of written legislation protecting foreign interests in Vietnam, Wichan agreed that it is very much uncertain of making a big investment there. In the next two years, he predicted, when things are mroe organized, this Indochinese country will provide ample investment and market opportunities for foreigners. At prsent, only the Foreign Investment Act, which was passed in 1989, is in place.

Vietnam

Hanoi Radio Broadcasts Le Duc Tho Funeral

BK1710051690

[Editorial Report] Hanoi Domestic Service in Vietnamese at 0045 GMT on 17 October begins a "special program" of live coverage of the memorial service for Le Duc Tho, adviser to the Communist Party of Vietnam [CPV] Central Committee, at the Ba Dinh Conference Hall in Hanoi, with two announcers taking turns describing scenes at the ceremony and giving related background information.

The first announcer presents a biographical sketch of Le Duc Tho, emphasizing his devotion to and sacrifice for the revolution and for national independence and freedom during the 64 consecutive years of his working life, saying "he was one of great President Ho Chi Minh's oustanding disciples who made great contributions to the Vietnamese revolutionary cause." The announcer then describes Le Duc Tho's revolutionary work and activities since 1926, saying "in May 1968 he was entrusted by the CPV Central Committee Political Bureau with handling the diplomatic struggle and assuming the position of special adviser to the Vietnamese Government delegation at the Paris conference on peace in Vietnam. He also held direct talks with U.S. Government representatives in private meetings to resolve outstanding problems at the Paris peace conference."

The announcer also cites a series of orders and medals conferred on Le Duc Tho by the Vietnamese state—including the Gold Star Order which was conferred on him a few weeks ago—and those of the Soviet Union and Cambodia in recognition of his devotion to the revolution and efforts in strengthening friendship and cooperation between Vietnam and these countries.

Looking back at preceding events, the announcer recalls the wreath-laying and the last tribute-paying ceremony held on 16 October at this same conference hall with the participation of the CPV Central Committee delegation led by Comrade General Secretary Nguyen Van Linh, Pham Van Dong, Vo Chi Cong, Do Muoi; groups of other top leaders and high-ranking officials; and more than 100 delegations representing ministries, sectors, the People's Armed Forces, mass media agencies, and mass organizations from the provinces, especially from Ha Nam Ninh, native place of Comrade Le Duc Tho.

Following a 1-minute interlude During which somber music is played, the announcer gives a brief description of scenes inside the Ba Dinh Conference Hall, where Le Duc Tho lies in state.

At 0100 GMT, the announcer reports the presence of the Vietnamese leadership, representatives of state agencies and mass organizations, he says: "Seen in the front row at the conference hall are Comrades Nguyen Van Linh, Pham Van Dong, Vo Chi Cong, Do Muoi, and many other comrade members of the party Central Committee Political Bureau and Secretariat, the National Assembly, the Council of State, the Coucil of Ministers, and the Vietnam Fatherland Front Central Committee, and representatives from various mass organizations and organs and sectors at the central level and in Hanoi." The announcer then says: "Also present at the ceremony are the Cambodian party and state delegation led by Comrade Say Chhum, member of the Kampuchean People's Revolutionary Party Central Committee Political Bureau and vice chairman of the Council of Ministers; the Lao party and state delegation led by Comrade Saman Vi-Gnaket, member of the Lao People's Revolutionary Party Central Committee Political Bureau and minister of education; and representatives from the diplomatic corps and international organizations based in Hanoi."

At 0105 GMT the national anthem is played and afterward an unidentified master of ceremonies invites party General Secretary Nguyen Van Linh to deliver his eulogy. Nguyen Van Linh begins the eulogy by hailing Le Duc Tho as "the talented cadre who made sacrifices and fought all his life for the interests of the people and homeland," and ends his eulogy with a pledge to "make all-out efforts to continue advancing the process of our

country's renovation to new achievements, thereby bringing about an abundant and happy life for our people." This is followed by a dirge.

At 0118 GMT, the announcer says that Le Duc Tho's coffin, covered with the national flag, is being carried by the guards of honor to the front of the conference hall and escorted by "Comrades Nguyen Van Linh, Pham Van Dong, Vo Chi Cong, Do Muoi, and other comrade leaders of the party and state, together with the bereaved family." The announcer says that the coffin is then placed on the hearse for the procession to the eternal resting place of Comrade Le Duc Tho at Hanoi's Mai Dich cemetery where a solemn burial ceremony will be held.

The radio concludes its live coverage of Le Duc Tho's funeral at 0130 GMT.

Nguyen Van Linh Reads Eulogy

BK1710023590 Hanoi Domestic Service in Vietnamese 0105 GMT 17 Oct 90

[Eulogy read by Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee, at the funeral ceremony for Le Duc Tho held at the Ba Dinh Conference Hall in Hanoi on 17 October—live]

[Text] Compatriots and combatants throughout the country;

Comrades and friends;

Comrade Le Duc Tho, adviser to the Central Committee of the Communist Party of Vietnam, former member of the Political Bureau and secretary of the CPV Central Committee, the staunch Communist Party member, the talented cadre who made sacrifices and fought all his life for the interests of the people and homeland, our close comrade and friend is no more.

Comrade Le Duc Tho, whose real name was Phan Dinh Khai, was born on 10 October 1911 in Dich Le Village, My Loc District, Nam Dinh Province—now Nam Van Village, Nam Ninh District, Ha Nam Ninh Province. He had participated in revolutionary activities since 1926. In October 1929, he was admitted into the Indochinese Communist Party. With 64 years of continual revolutionary activities, to his last breath Comrade Le Duc Tho had been one of the outstanding disciples of great President Ho Chi Minh and had made many great contributions to the revolutionary cause, inspiring in us, his compatriots and comrades, boundless affection and esteem. His life of staunch, dynamic, and seething activities and his revolutionary optimism were a shining example of ardent love for the country and people and of lofty internationalism.

When he was still a 15-year-old student he took part in class boycotts and attended the ceremony in commemoration of the patriotic scholar Phan Chu Trinh. At 17, he joined the rank of the Revolutionary Youth Association. Struggling and being tempered in this revolutionary organization, he became a communist in October 1929. During the period of clandestine activities, he was twice arrested by the enemy and was twice sentenced to a total of 15 years imprisonment. To him, the harsh years of hard labor on Con Dao and in the prisons of Son La, Hoa Binh, and Hanoi were the years that helped forge in him the indomitable revolutionary will and staunch loyalty to the fatherland and the people.

In August 1945, at the national party congress in Tan Trao, Comrade Le Duc Tho was elected to the Standing Committee of the party Central Committee and was one of the key comrade leaders of the successful August Revolution. In 1948, assigned by the central level to serve as a representative of the party Central Committee in the party and government delegation, he crossed mountains and jungles and marched day and night through many areas under temporary enemy control to reach the south for official duty and became one of the key comrade leaders of the anticolonialist war of resistance in Nam Bo.

He became a member of the party Central Committee Political Bureau in 1960, a member of the party Central Military Commission in 1967, and deputy secretary of the Central Office of South Vietnam after the 1968 Mau Than Tet general offensive. In May of 1968, he served as special adviser to our government's delegation at the Paris conference on Vietnam and chief negotiator at various private talks with representatives of the U.S. Government. Later, on behalf of the party Central Committee Political Bureau, he and some other comrades directly led the historic Ho Chi Minh campaign.

Comrade Le Duc Tho was one of the comrade leaders who rendered great services to the liberation of the south and the unification of the country. Comrade Le Duc Tho also contributed voluminously to the fulfillment of the noble internationalist duty of our party, state, and people. As a talented leading cadre in numerous fields, during the many years he was in charge of the party's organizational and cadre-related work—a very difficult and complicated task—he left behind for us many lessons of experience which are useful to carrying out the current process of renovation. He also left behind for us many lyrical poems and devoted all his talent and intellect to serving the glorious revolutionary cause of our party and people.

With the heavy responsibility of adviser to the party Central Committee, he worked with devotion and continued to contribute to the collective intellect of the party Central Committee and the Political Bureau.

Comrade Le Duc Tho's examples of loyalty and devotion to the country, party, and people, as well as his heroic, persistent, and indomitable revolutionary spirit, diligent and frugal qualities, and love for cadres, have won the love and respect by our entire party and people.

Esteemed Comrade Le Duc Tho, we would like to share our grief with your family at this moment of sorrow. We would also like to promise you that, together with our

entire party, people, and army, we will exert all-out efforts to continue advancing the process of our country's renovation to new achievements, thereby bringing about an abundant and happy life for our people as you always wished throughout your life.

Farewell to you, respected and beloved Comrade Le Duc Tho.

Petroleum Corporation Director on Oil Situation

BK1610131590 Hanoi Domestic Service in Vietnamese 1100 GMT 15 Oct 90

[Interview with Truong Dinh Tuyen, director of the Ministry of Commerce's petroleum corporation, on supply and consumption of fuel in Vietnam, by station correspondent; date not given—recorded]

[Summary] [Correspondent] Dear director, the price of fuel has increased considerably in Vietnam recently. This has caused difficulties for the people. Would you please comment on the present situation?

[Truong Dinh Tuyen] Since September, we have experienced a shortage of fuel and the price has increased remarkably. This has caused an adverse psychological effect on consumers, but we must consider the following factors: First, we must realize that our fuel supply source comes chiefly from the Soviet Union. In 1990, the volume of fuel imported from the Soviet Union accounts for 55 percent of the total consumption. Although the Soviet Union is facing difficulties, it has indicated willingness to uphold its commitment. "I can say that over the past nine months the Soviet Union has fulfilled its obligations. Moreover, during my working session with specialists of the Soviet Oil Export-Import Union in early Octoher, they confirmed that the Soviet Union will continue to supply Vietnam with the remaining volume of fuel as determined in the 1990 agreement." Besides, we have also signed agreements to purchase fuel from some capitalist countries. As a result, during the past nine months, the corporation has imported 75 percent of the fuel used in the country or 36 percent more than the corresponding period last year. It is necessary to mention here that demand for fuel in our country has increased very quickly, especially demands from collective and private production establishments. Moreover, the current Gulf crisis has made the price of oil skyrocket in the world market, thus adding more difficulties to our situation.

[Correspondent] Would you please elaborate on the price situation in Vietnam?

[Truong Dinh Tuyen] Although the price of gasoline in our country has increased to 1,800 dong per liter and kerosene 1,500 dong per liter, prices are still lower than the average prices in the Soviet Union and some capitalist countries. A further increase in oil prices will cause more difficulties for the people, thus we have to consider the issue very carefully before reaching any solution.

[Correspondent] Do you think that the amount of fuel imported from foreign countries will meet our country's demand?

[Truong Dinh Tuyen] "As I said before, the Soviet Union has ensured that it will continue to supply us with the remaining volume of fuel as determined in the 1990 agreement. Moreover, the corporation has also signed long-term agreements to import more oil from some capitalist nations." Thus, I can say that we will be able to fulfill the 1990 oil import target, while striving to save more fuel for 1991.

[Correspondent] Will you please elaborate about the corporation's effort to improve the fuel supply and retail networks in the days ahead?

[Truong Dinh Tuyen] "During the past few years, we have striven to improve the fuel retail network. We have realized, however, that shortcomings and weaknesses are still prevalent." As a result, we have provided more guidance to retail stations and have taken drastic measures against those who violated rules and regulations on oil prices. Moreover, the Council of Ministers chairman recently issued directive no. 338 on fuel-saving measures and on management of oil consumption, thus it will help improve the situation. We contended, however, that great effort should be made by the supply agencies, the retail stations, and the consumers themselves in order to carry out this task satisfactorily. Most importantly, we must use oil and fuel in a strictly economical manner, thus helping to accumulate more fuel reserve for the days ahead. With cooperation from all sectors concerned, I believe that the situation will be improved.

[Correspondent] Thank you very much, comrade.

Progress Noted in USSR Joint Oil Venture

BK1310094990 Hanoi Domestic Service in Vietnamese 1100 GMT 12 Oct 90

[Text] The Vung Tau-Con Dao Special Zone radio reported that as of late September, the Vietnam-USSR oil company has exploited more than 1.8 million tonnes of oil, or 76 percent of its annual plan. In September alone, more than 192,000 tonnes were extracted.

All the annual plan norms for drilling and exploring have been fulfilled. The British and Indian oil companies have now started drilling and exploring in the Vung Tau-Con Dao sea zone.

New Zealand Trade Cooperation Prospect Reported

BK1110162090 Hanoi Domestic Service in Vietnamese 1430 GMT 6 Oct 90

[Summary] The first New Zealand Government economic delegation paid an official visit to Vietnam from 30 September-9 October. The 14-member delegation was led by New Zealand's ambassador to Vietnam, Harle Freeman-Greene. The delegation included representatives from 12 corporations involved in economic consultation, construction, oil exploration, and import-export.

"During its stay in Vietnam, the delegation had working sessions with the State Planning Commission, the State Committee for Cooperation and Investment, the Ministry of Heavy Industry, the Ministry of Construction, and other import-export agencies."

Talking to Vietnamese newsmen at a news conference on 3 October, Ambassador Greene said: "Over the past 18 months Vietnamese and New Zealand Government officials have exchanged many visits. In April 1989, a Vietnamese delegation led by Deputy Minister (?of Commerce) Nguyen Van Tiet visited New Zealand while in October last year, a New Zealand delegation led by New Zealand's foreign minister visited Hanoi and Ho Chi Minh City. I am convinced that our two countries' cooperation may expand to many other fields. As a result, I promptly formed this official delegation to Vietnam that is composed of representatives from many companies that want to import Vietnamese goods and establish bilateral trade relations with Vietnam. At present, the two countries' trade balance is in favor of New Zealand. During the past several days, we exchanged views with Vietnamese ministries and agencies to find ways and means to develop trade relations between the two countries. We also learned more about Vietnamese mechanisms and acquired a better understanding of the Vietnamese people."

Through their study tour in Vietnam, the New Zealand Government economic delegation expressed the belief that the two countries can cooperate in the fields of oil exploration and construction and so forth. New Zealand pays keen interest in Vietnamese tea, coffee, silk, lacquerware, and other handicraft products while Vietnam may import wool from New Zealand to produce carpets and clothes, construction materials, and equipment for animal husbandry.

The New Zealand ambassador also hailed the current renovation in Vietnam and said he noticed that the inflation rate has been decreased while prices have gradually stabilized.

"Answering the Voice of Vietnam correspondent's question on whether the U.S.'s prolonged trade embargo against Vietnam may cause any effect on Vietnam-New Zealand cooperation, Ambassador Greene said that the presence of the New Zealand Government economic delegation in Hanoi during the past several days affirmed that there is no obstacle to cooperation between the two countries."

The New Zealand ambassador also expressed the hope that some members of his country's economic delegation will return to Vietnam soon to speed up bilateral cooperation in the trade and economic domains.

Additional Foreign Investment Projects Reported

BK1210133390 Hanoi International Service in English 1000 GMT 12 Oct 90

[Text] Twenty-four projects with foreign investment have been carried out in the state zone of Vung Tau-Con Dao since the promulgation of the law on foreign investment in Vietnam. There are nine projects on tourism, four on sea product processing, and the rest on garment-making and other fields.

Seven projects have been operated effectively and the rest are in preparation. The state zone of Vung Tau-Con Dao has enlarged its external economic activities, giving priority to foreign investment on import-export programs, building of harbors, and processing of sea products and farm produces.

Ho Chi Minh City Holds 'Biggest' Fraud Trial

BK1710122690 Hanoi Domestic Service in Vietnamese 1100 GMT 16 Oct 90

[Text] According to the Ho Chi Minh City-based Voice of Vietnam correspondent, this morning the People's Court of Ho Chi Minh City held a public session to try the Thanh Huong perfume factory on a charge of fraud. Standing trial were Nguyen Van Muoi Hai and 21 other suspects, including eight state cadres and employees. Comrade Le Phuc Anh, deputy presiding judge of the Ho Chi Minh City's People's Court, presided over the session. The suspects were defended by 22 lawyers.

According to the indictment of the city's people's organ of control, the Thanh Huong case was particularly serious. It was the biggest case of fraud known to date involving more than 153 billion dong collected from hundreds of thousands of people within a period of only 14 months. Although the amount of money mobilized was huge, Nguyen Van Muoi Hai only spent 8 percent of it on production, paying an interest rate of 1 percent, and using the money of new depositors to pay interest to old ones. He used the money contributed by the people to cover extravagant spendings, to conduct noisy publicity campaigns, and to buy off cadres holding positions and power to create a protective shield for his own fraudulent activities and those of his accomplices. Nguyen Van Muoi Hai used 220 chi of gold [one chi is equivalent to 3.75 grams] and 294 million dong to pay off officials in 21 cases and to bribe other cadres of various branches.

The indictment clearly cited the crimes of Nguyen Van Muoi Hai and his accomplices as stipulated in Articles 80, 157, 226, 228, and 246 of the Criminal Code. They were: sabotage of socioeconomic policies; using fraud to appropriate citizens' property; giving and taking briberies; covering up crimes; and making use of people holding positions and power to promote one's own interests.

On the first day of the trial, thousands of people from Ho Chi Minh City and neighboring provinces gathered near the court house to follow the proceedings on the city's radio and television system. Hundreds of press correspondents were present to file reports. It was the public's hope that the court would mete out severe punishments to Nguyen Van Muoi Hai and his accomplices.

Army Paper on Curbing Problem of Corruption

BK1110075890 Hanoi Domestic Service in Vietnamese 2330 GMT 7 Oct 90

[QUAN DOI NHAN DAN Article by Xuan Ly: "Identify Corrupt Individuals"; date not given]

[Text] Corruption has become a social phenomenon ever since man was given the right to handle economic affairs and other issues. It is not now, but instead from the very beginning, when the administration was first set up, that our state conferred power on cadres. It is worth noting, however, that in recent years, especially now, corruption has become more serious with each passing day, causing damage to the property owned by the state and the people, eroding the party's prestige, and engendering disregard for the law.

Since early 1990, law enforcement agencies have discovered 6,305 cases of corruption involving losses amounting to as much as 117 billion dong. There have been 2,922 cases of misappropriation of socialist property with losses amounting to 66 billion dong or more, 1,911 cases of smuggling, 171 cases of banned goods sales, 306 cases of contraband goods production, and 729 cases of illegal business transactions and tax fraud and evasion. Some 4,772 individuals, including 1,873 cadres and government employees, have been arrested.

Due to the urgency of the problem, the Council of Ministers has issued Decision No. 240-HDBT on anticorruption with first priority being given to efforts to deal with individuals who practice corruption and bribe-taking despite state policies and laws, who resort to fraudulent means to misappropriate socialist property, or who engage in smuggling and tax evasion.

The research documents compiled by an investigation committee of the Ministry of Interior indicate that corruption prevails in a number of branches with abundant financial resources and assets like the banking, import-export, and national reserve services and involves mostly cadres having power at their disposition.

In many instances, corruption and bribe-taking have involved deliberate violations of set principles. As examples, one can cite a case of bribe-taking involving 38 million dong at the Ministry of External Economic Relations and the embezzlement of 92 million dong at the Land Route Management Enterprise No. 218, Ha Son Binh Province.

In the northern provinces, the prominent cases of corruption include the abuse of power by a number of state economic agencies in conducting illegal shipping of food supplies, colored metals, and nitrogenous fertilizer through the seaways between Nghe Tinh and Quang Ninh to China for sale on the Chinese market; or to use the border provinces of Lang Son and Cao Bang as channels to smuggle in various types of glasses, water pipes, and other consumer goods. In all those cases the benefits were shared among the parties involved.

In the southwestern border areas, many agencies and enterprises have taken advantage of goods exchange contracts to transport large quantities of tax-evading luxury goods. A number of private dealers have colluded with state agencies in carrying out smuggling operations. As examples, one can cite the case of Hung Rau in My Tho, Tien Giang, who misappropriated 10 billion dong from the Tien Giang Import-Export Corporation; and the case of Tran Van Tien who, taking advantage of his position as deputy director of the Phu Quoc Transport Enterprise and through fraudulent maneuvers, misappropriated 6.6 billion dong from 20 agencies and units operating in Hanoi.

Some state economic units have evaded taxes involving billions of dong. As examples, one can cite the case of Department No. 12 of the Machinery Import-Export General Corporation under the defunct Ministry of External Economic Relations.

Most of the corrupt officials have abused their authority by collaborating with speculators and illegal traders to gain profit through selling fertilizer, cement, and rice during the shortage period. This has encouraged the others to engage in speculation, illegal trading, and corruption. We can say that the main cause of corruption was due to the multicomponent commodity-based economy's activities in the business market, the cross-border trade, and loopholes in trade mechanisms and policy. In fact, loopholes are prevalent in some of our main economic policies, but worse still were those who intended to engage in embezzlement and corruption or who deliberately violated rules and regulations taking advantage of some unclear policies.

Moreover, the existing weak material and technical bases—bases that help to protect socialist property—are another loophole being used by corrupters to gain their interests. Many of them quickly amassed wealth through corruption. Meanwhile, training and recruitment of cadres, on many occasions, was carried out inconsistently with principle and the set standard, thus creating a subsequent adverse effect. Most of the major embezzlement cases that caused serious losses stemmed from nepotism, a management system that appointed family members to the posts of director, accountants, heads of warehouses, and security men in the same agency. Thus the director could do anything he wanted with full support from all his subordinates. Moreover, directors have been granted full authority to operate their agencies by Directive No. 217; thus, they may cause serious losses if they tend toward corruption.

It is necessary to mention here that the control and inspection work has not been carried out effectively, especially at foreign economic relations agencies, in the banking sector, and in national reserve centers where embezzlement can be carried out easily. It is noteworthy that law enforcement organizations sometimes cannot effectively monitor the work of these agencies.

It can be said that opposing corruption at present is as important as struggling against the enemy. If we want to

effectively suppress corruption, we must uniformly carry out various measures that include efforts to improve education, strictly impose economic and administrative punishments, and apply punitive management and legal actions against violators. Most importantly, we must strive to stir up the mass movements against corruption.

To effectively suppress corruption, we must have a nose for corrupters. Normally they are officials with authority, not the average person. As a result, the more authority these officials have the more dangerous the acts they will commit if they tend to seek self interest. In summing up, to eliminate corruption we should not concentrate our efforts only on grass-roots units, but must pay attention to monitoring the conduct of officials from the top to the lowest levels.

Quang Nam, Da Nang Police Performance Reported

BK1310140990 Hanoi Domestic Service in Vietnamese 1430 GMT 12 Oct 90

[Text] In September, foreign ships poaching in our waters were detected and expelled 30 times by the police of Quang Nam-Da Nang Province. They also arrested 45 persons in six cases of illegal departure from the country by sea, and prevented 12 more such cases.

The provincial police have also coordinated with the culture and information sector to control and mop up all decadent culture, arresting and punishing persons involved in 30 cases of illegal video movies and sale of banned music, imposing fines totalling 2.5 million dong.

The police has also investigated and discovered 20 cases of violation against socialist assets, recovering assets valued at more than 230 million dong. They also coordinated with banks and credit funds to recover debts of more than 127 million dong, made arrests related to a case of smuggling, imposed fines up to 88 million dong and recovered 428 million dong from tax dodgers.

Delegation Attends Beijing Antidrug Conference

BK1710132790 Hanoi Domestic Service in Vietnamese 1430 GMT 16 Oct 90

[Text] The 15th Asia-Pacific Antidrug Conference opened in Beijing on the morning of 15 October with the participation of more than 80 delegates representing 22 countries, regions, and international organizations; 11 observers; and four delegations of civilian agencies. An SRV delegation headed by Dang Nghiem Hoanh, Vietnamese ambassador to China, also attended. This was the first time Vietnam took part in an international conference on narcotic suppression.

Speaking at the opening ceremony, Mr. Francisco Ramos Gandino, director of the UN antidrug agency, said that over the past years, various countries had applied active measures at home and intensified international cooperation in the struggle against narcotic trafficking; however, the drug smuggling had not decreased in the least. He called on all nations to coordinate their efforts even more closely to effectively check and suppress illegal supply and use of narcotics.

The conference will close on 19 October.

Armed Exile Group's Goals Reviewed After Trial

BK1710124990 Hanoi VNA in English 1450 GMT 16 Oct 90

[Text] Hanoi VNA October 16 - The People's Supreme Court of Vietnam has ended the trial of one more armed group of the so-called 'Vietnam National Liberation United Front' (VNLUF), an organization of Vietnamese exiles in the United States, who attempted to infiltrate into Vietnam for sabotage and subversive purposes. This is the third failure of this organization of traitors. The first attempt was made by 51 men under the command of Duong Van Tu in May 1986. They were detected by the armed forces of Vietnam and Laos soon after they left base in Thailand. 42 were killed and the remaining nine captured. The second attempt was made in July 1987 by 150 men headed by Hoang Co Minh, 'president' of the VNLUF, himself. Again the infiltrators were detected while on Lao soil. 68 including Hoang Co Minh himself were killed, 67 others captured, and the remaining 15 including Dao Ba Ke, alias Tran Quang Do, fled back to Thailand. Spreading the rumour that 'Leader Hoang Co Minh is still alive and taking command in the resistance zone', Tran Quang Do sent his men to Vietnamese refugee camps in Thailand to recruit new adherents for the 'front'. From February 1988 to May 1989, they enlisted nearly 100 hands whom they divided into two groups. On August 22, 1989, Tran Quang Do took command of the two groups comprising 68 armed men to infiltrate into Vietnam via Laos. But they fared no better than the two previous groups.

Intercepted by Lao and Vietnamese troops, 29 were killed and 38 were captured, including Tran Quang Do. The so-called 'Vietnam National Liberation United Front', patronized by a number of reactionary elements in the United States, was set up on April 30, 1980 in South California, with Hoang Co Minh, former vice-admiral of the Saigon puppet army who fled to the U.S. after the liberation of South Vietnam, as president. Other leaders of this organization inc'uded many notorious killers in the former Saigon army such as Dang Quoc Hien, lieutenant-colonel of the paras [as received], Duong Van Tu, infantry lieutenant, Colonel Nguyen Kim, squadron leader of the Air Force, etc. Hoang Co Minh proclaimed himself 'president of the front' and chairman of the 'National Resistance Council' and nominated Dang Quoc Hien and Duong Van Tu to the posts of commander and vice-commander of the 'Resistance Army', Nguyen Kim, director of the General Overseas Department... They also set up the 'Vietnam Renovation Party' (Viet Tan) making it the nucleus and leader of the front. They took up again the national anthem and flag of the Saigon regime for the front and adopted a flag with a six-petal white apricot blossom on a blue blackground for the Viet Tan party. A 'Political Platform' of the front

and a platform and statute of the Viet Tan Party were printed and distributed to Vietnamese nationals living in various countries, openly proclaiming their wild ambition of toppling the Vietnamese government, abolishing the Communist Party and restoring the 'Republic of Vietnam'. They also set up a broadcasting station in Thailand named 'Vietnam Resistance', and published the paper 'Resistance' in the U.S. From 1987, assisted by a number of Thai intelligence agents, they built a cluster of bases in Ubon [Ratchathani] province of Thailand near the Thai-Lao border which is fraudulently referred to as 'Internal Resistance Base' and put under the charge of Hoang Co Minh. Their plan is in five stages. The first stage which is to last until 1983 is devoted to recruitment of forces and the creation of the organization. The second stage is devoted to armed activities and infiltration (this stage is dubbed 'Advance to the East'). The building of infrastructure and resistance bases in the country is scheduled for the third stage which is to last until 1987. In the subsequent stage which is to last until early 1990 they plan to establish a 'Buffer Liberated Zone', occupy a number of hamlets or villages, neutralize the local and build bases to carry out sabotage activities.

And finally they would launch a general uprising to overthrow the revolutionary government in 1992.

In fact, in the past ten years, they have not got beyond the 'Advance to the East' stage.

To Tran Quang Do it was incumbent to set up temporary bases in Quang Tri, Quang Nam-Da Nang and Gia Lai-Kontum, then to spread to the Mekong River delta provinces with Chau Doc-An Giang as the main target.

National Assembly Delegation Ends Japan Visit

BK1610154390 Hanoi VNA in English 1505 GMT 16 Oct 90

[Text] Hanoi VNA Oct. 16—A delegation of the Vietnamese National Assembly led by Vice Chairman Huynh Van Tuu left Japan today after a week-long friendship visit. While in Tokyo, the delegation paid a courtesy visit to Acting Japanese Prime Minister Hashimoto Ryutaro. It was cordially received by Sakurauch Yoshio, president of the Japan-Vietnam Friendship Parliamentary League and speaker of the Japanese House of Representatives, and Tsuchia Yoshihiko, speaker of the House of Councillors. It called at the office of the Central Committee of the Japanese Communist Party [J.C.P] where it was cordially received by Vice President of the J.C.P. Tachiki Hiroshi. The Vietnamese delegation also called on the Secretary General of the Liberal Democratic Party of Japan. It had working sessions and exchanged views with many members of the Japanese Diet and of the Japan-Vietnam Friendship Parliamentary League. The two deemed it necessary to further enhance the friendly relations and contacts between the legislative bodies of the two countries, thus contributing to the improvement of the Vietnam-Japan relations and bilateral cooperation in many fields in the interests of the two peoples, and for peace and stability in Asia and the world as a whole.

SRV Envoy Presents Credentials to Malta

BK1210154890 Hanoi VNA in English 1515 GMT 12 Oct 90

[Text] Hanoi VNA October 12 - Vietnamese Ambassador Nguyen Viet has presented his credentials to President Vincent Tabone of Malta.

Speaking at the representation ceremony President Vincent Tabone highly valued the encouraging achievements in socio-economic and other fields recorded by the Vietnamese people in recent years in national reconstruction.

He expressed his belief in the constant consolidation and development of the long-standing relationship between Vietnam and Malta.

UNDP Funded Project Document Signed in Hanoi

BK1110161590 Hanoi VNA in English 1454 GMT 11 Oct 90

[Text] Hanoi VNA October 11—The document on UNDP [United Nations Development Programme]-funded project code-named VIE/88/543 on UN's assistance to Vietnam's enhancement of economic management was signed here last Monday.

Signatories were Hoang Thuc Tan, deputy chief of the Office of the Council of Ministers, and David Smith, UNDP representative in Hanoi.

The 1.7-million-U.S. dollar project will help Vietnam in exchanging information and experience with other countries on economic management and reform, organizing seminars on economic policies and research on market-oriented economy and economic sectors in the renovation process, and training managerial personnel. Under the document, foreign specialists will be sent to Vietnam to help the country in macro economic management and in development of juridical foundation for economic laws.

Nguyen Van Linh Addresses People's Council

BK1410043190 Hanoi Domestic Service in Vietnamese 2300 GMT 13 Oct 90

[Text] On 11-13 October, the Hanoi people's council met to discuss solutions to urgent socioeconomic and cultural issues in accordance with the conclusions reached by the party Central Committee ninth plenum.

Comrade Party General Secretary Nguyen Van Linh attended and addressed the conference.

Other Officials Attend

BK1310101790 Hanoi Domestic Service in Vietnamese 1000 GMT 12 Oct 90

[From the press review]

[Text] The fifth session of the 10th Hanoi Municipal People's Council opened on 11 October.

Attending the session, among others, was a delegation of National Assembly deputies from Hanoi, which included Le Quang Dao, chairman of the National Assembly; General Le Duc Anh, minister of national defense; and Pham The Duyet, secretary of the municipal party committee.

Nguyen Quyet Speaks at Military Region Ceremony

BK1710115090 Hanoi Domestic Service in Vietnamese 0500 GMT 16 Oct 90

[Text] The armed forces of the 4th Military Region held a grand ceremony in Vinh City on 14 October to mark the 45th anniversary of the signing on 15 October 1945 by President Ho Chi Minh of the decree on establishing the 4th War Zone.

On behalf of the Military Commission of the party Central Committee and the Ministry of National Defense, General Nguyen Quyet praised the Armed Forces and people of the 4th Military Region for having recorded many outstanding achievements and exploits over the past 45 years, making worthy contributions to the cause of national liberation, defense, and construction. He expressed his hope that the armed forces and people of the military region will continue striving incessantly to satisfactorily implement the party's line of renovation, persevere on the socialist path chosen by Uncle Ho, and stay closely united to further strengthen the military region in all respects.

Nguyen Thanh Binh Visits Industrial Display

BK1110162590 Hanoi Domestic Service in Vietnamese 0500 GMT 11 Oct 90

[Text] On the occasion of the 36th anniversary of Hanoi's liberation and the industrial sector's traditional festival of product quality, the industrial service of Hanoi opened a display of new and improved products of the entire local industrial sector at the Vietnamese-Soviet Friendship Workers Cultural Palace.

On the afternoon of 10 October, Comrade Nguyen Thanh Binh, member of the Political Bureau and standing member of the Secretariat of the party Central Committee, paid a visit to the display. He expressed his joy over the efforts of and results obtained by Hanoi's local industrial sector in overcoming difficulties, maintaining production, and improving product quality to meet consumers' demands. He reminded the industrial service director to pay more attention to rearranging production organizations and to adopt timely measures to deal with those enterprises operating in the red and unable to sell their products. At the same time, they should strive to multiply good models and establishments that turn out products of high quality.

Department Conducts Economic Management Classes

BK1310143590 Hanoi Domestic Service in Vietnamese 1100 GMT 13 Oct 90

[Text] The party Central Committee Department of Ideology and Culture recently began a refresher class to teach basic viewpoints on economic renovation to more than 200 research and management cadres from central agencies and some localities.

For half the session, the class listened to a reference report on the world economy, modern technological revolution and many business management topics.

Along with conducting classes in Hanoi, the party Central Committee Department of Ideology and Culture has also coordinated with provinces in central Vietnam and the Eastern Nam Bo to open 12 refresher classes on economic management topics for nearly 3,000 cadres.

Do Muoi Speaks at State Planning Ceremony

BK1210102090 Hanoi Domestic Service in Vietnamese 2300 GMT 8 Oct 90

["Text" of Speech by Chairman of Council of Ministers Do Muoi at the 8 October Hanoi Ceremony to Mark the 35th Anniversary of the State Planning Commission—read by announcer]

[Text] I am very happy to attend today's ceremony to mark the 35th anniversary of the State Planning Commission. On behalf of the party Central Committee and the Council of Ministers, I cordially send my greetings and best regards to all cadres and personnel of the planning sector countrywide.

We recently began to review the economy and assess the planning task. You have clearly realized our achievements, failures, mistakes and shortcomings, and have drawn practical lessons for guidelines and duties to renovate the planning task along the line of the sixth party congress for the entire sector. This is essential and commendable work.

With the country's advance, the contingent of planning cadres at all levels and sectors countrywide have made important contributions to the common cause. On behalf of the party and state, I praise your achievements and contributions.

Dear comrades, through the various revolutionary stages, the planning task has concretized party lines, turned policies into practical plans and has helped implement the guidelines and objectives of the annual and five-year plans. Recently, a big step has been made in the renovation of planning. Planning has played an important role in large-scale state operation control. In order to raise the efficiency in operation control and

perfecting the new management mechanism, it is essential to use all planning tools uniformly, namely socioeconomic policies, and other instruments of finance, banking, prices, information and law.

Planning is the main tool and is indispensable to all echelons, sectors and primary installations. In a multisectorial economy of goods production and in the planning-market relationship, the quality of planning must be renovated. In a centralized bureaucracy, plans which use subsidies and impose higher orders on primary installations without taking into account their initiative and responsibility—the non-application of economic rules, the goods-money and market relationships—in effect what we have done previously, is ineffective, robbing plans not only of its practicality but also causing economic losses in many aspects.

Progress recently achieved by the planning sector is merely an initial step. It has not met the requirements of renovation adequately. In the formulation of the draft five-year 1991-95 plan and the 1991 plan, some sectors, localities and primary installations still cling to the old ways of thinking, are bureaucratic and dependent on state supplies and funds.

In planning, the many potentials and strengths of the sectors, localities, primary installations, economic components and people of all stratas have not been exploited properly in stabilizing the socioeconomic development, resolving the unemployment problem, accelerating production, practicing thrift, improving the people's living conditions, and paying due attention to capital accumulation for national industrialization.

Planning methods are still simple and completely lack effective measures to increase the productivity and quality of products, oppose waste, curb inflation, and increase national income.

Entering the 1990's decade, the process of renovation in our country has basically favorable conditions because the political program and the strategy of socioeconomic development will be approved at the seventh party congress. The scientific and technological revolution and the internationalization of the world economy are providing great development possibilities.

The socioeconomic situation still has many problems. We have not stabilized our economy; our economic development rate and living standards are still too low. We have not overcome all the consequences of war and the frequent natural disasters are posing as obstacles. This situation raises heavy and complex renovation duties for the planning task in our country.

In the next few years, we should continually and more resolutely do away with the centralized, bureaucratic and subsidy-based planning system. We must, on the one hand, renovate the planning procedure to accommodate the needs and contents of the new economic management mechanism, apply various economic laws, regulate market relations to enhance the effectiveness of plans, and link the formulation, organization, operational control and implementation of plans with the use of various policies and system of leverage instruments. On the other hand, we must simultaneously renovate both the scope of planning and its methods, and improve the quality of planning work in order to ensure that the state can effectively control the multisectorial economy.

We must grasp the viewpoint of using people as a base in establishing and implementing plans for the people and by the people. We must develop their strongpoints and treat them as the objective of plans and the renovation process of the country. President Ho clearly pointed out that we must plan our economy well and implement state plans adequately in order to develop the economy and culture to gradually raise the people's living standard.

This fundamental viewpoint and strategic concept must be thoroughly understood and reflected in every task of planning, from determining objectives to establishing and selecting plans and measures of control. The important issues of plans are a correct orientation, clear objectives, rational socioeconomic structures, a moderate rate of development, and a combination of national strength with the strength of the times. The measures and state policies must liberate every potential. They must encourage economic components and the people of all stratas to strenuously engage in production, practice thrift, run business dynamically, accelerate export and look for diverse and better quality import substitutes to rapidly increase commodities and products. They must meet the society's consumption demands, and develop the national economy with its culture, technology, education and the people's intellect.

Plans must reflect the party and state policy of broadening democracy in the economy, promoting justice in society, and creating favorable conditions for all people, sectors, localities, and establishments to bring into full play their spirit of self-reliance in striving to resolve socioeconomic problems. They must assist in creating more jobs for the benefit of the nation and the family, encouraging people to enrich themselves legitimately, and combating unlawful business practices, speculation, smuggling, corruption, and fraud. At the same time, we must strive to restrict and gradually reduce the number of impoverished households, economic units operating in the red, and underdeveloped areas. Implementation of democracy must be intimately linked with the enforcement of law and order. In plans and socioeconomic policies, it is also necessary to clearly specify laws and regulations, which must be scrupulously implemented. Aside from its function of providing guidance and incentives mainly through the use of various economic levers, in planning work we should not make light of the role of state control and supervision in administrative and managerial matters.

The renovation of planning is inseparable from the present principal task of the planning organs. Therefore, along with the task of perfecting the strategy for socioeconomic development until the year 2000 and the

1991-1995 five-year plan, from now until the year's end we must concentrate the efforts of the entire country on successfully implementing the 1990 socioeconomic plan. At the same time we must urgently begin elaborating the 1991 plan. In particular, we must concentrate on ensuring at all costs the major balances regarding material supplies and values of the national economy in the face of upheavals in external economic relations.

The successful implementation of these tasks is the measure of the reorientation in the renovation of planning work of various sectors at various levels. Meeting the requirements and fulfilling the tasks of planning renovation are still a novel and very difficult undertaking. At present, the standard and capacity for planning and managerial work of the state apparatus and of various economic organizations still fail to measure up to the new requirements. Moreover, our knowledge and work methods show that we are still unfamiliar with the mechanism of a regulated market economy and that we have not yet extricated ourselves from the old rut of bureaucratism and state subsidies.

The system of planning organizations at all levels, together with the existing contingent of planning cadres, is a valuable asset of the party and state. It goes without saying that with the current requirements of renovation we cannot continue to maintain our old ways of thinking and our outdated work styles and methods. I am convinced that if we are creative and bold, working while summing up our experience in order to ceaselessly improve our capabilities, and if we know how to reorganize our work and bring into full play our experience and the sense of mastery and abilities of our cadres, we still can advance to meet the requirements of renovation.

The contingent of cadres is an urgent issue; they must be equipped with more new knowledge. The party and state will create favorable conditions for training and improving planning cadres. However, the key problem is that planning organs must step up their efforts to perfect their organization and personnel according to their new functions and tasks. Training plans must be elaborated, while every planning cadre must seek to improve himself in study and work in order to be able to skillfully handle various macroeconomic managerial tools and commodity-money and market relationships, and to firmly grasp various methods of mathematics and computer science applied in planning work.

Vo Chi Cong Visits Army Paper's Photo Exhibit

BK1510091490 Hanoi Domestic Service in Vietnamese 2300 GMT 14 Oct 90

[Text] On the morning of 14 October, Vo Chi Cong, chairman of the Council of State, visited an exhibition of photographs taken by the staff of the Army daily QUAN DOI NHAN DAN over the past 40 years. He was accompanied by Comrade Senior Lieutenant General Nguyen Nam Khanh, member of the party Central Committee and deputy director of the People's Army General Political Department.

Chairman Vo Chi Cong commended the QUAN DOI NHAN DAN photographers who had constantly stayed close to soldiers and people during the war years as well as in peacetime national construction and defense. Many photographs, which had high topical and artistic value and marked important milestones in the nation's history, were precious documents worth treasuring and preserving for the future generations. The chairman stopped for a long time before the photo depicting President Ho Chi Minh in 1947 reading the newspaper VE QUOC QUAN [NATIONAL GUARD ARMY], one of the five forerunners of the present QUAN DOI NHAN DAN. This was a precious picture that was made public only recently. The chairman also put down his impression in the memorial log of the Army daily.

Nguyen Khanh Attends Women Journalists Workshop

BK1610071090 Hanoi VNA in English 1535 GMT 15 Oct 90

[Text] Hanoi VNA October 15—A sub-regional workshop for women journalists in current affairs reporting was opened here today under the joint sponsorship of the Information Sub-commission for UNESCO and VIETNAM NEWS AGENCY (VNA).

The workshop is to deal with the following main issues: problems in current affairs reporting on the national level, difficulties in regional and international relations reporting, career advancement of women journalists and their access to decision-making posts in their media organisations.

The inaugural ceremony was attended by, among others, Nguyen Khanh, vice chairman of the Council of Ministers; Tran Cong Man, deputy secretary general of the Vietnam Journalists Association; Do Phuong, VNA director general; Ms. Maxine Shatton, UNESCO representative; and members of the Indian, Indonesian, Japanese, Lao, Malaysian, Philippine and Thai diplomatic corps in Hanoi.

Second National Catholics Congress Closes

BK1210155190 Hanoi VNA in English 1511 GMT 12 Oct 90

[Text] Hanoi VNA October 12—The Second National Congress of the Vietnamese Catholics in National Construction and Defence closed here today after three days' sitting.

The congress elected 81 members to the new committee for Solidarity of Vietnamese Catholics (formerly the Committee for Solidarity of Patriotic Vietnamese Catholics) including 57 bishops and clergymen. Bishop Vo Thanh Trinh was elected president. Vice presidents are bishops Vuong Dinh Ai, Luong Dinh Nghi, Nguyen Tan Khoa, and Nguyen Thai Ba [names as received]; who is also secretary general of the committee.

The opening of congress was attended by Le Quang Dao, member of the Presidium of the Executive Committee of

the Vietnam Fatherland Front, Dong Sy Nguyen, vice chairman of the Council of Ministers, and other senior state and government officials.

Party General Secretary Nguyen Van Linh cordially received the delegates at the Presidential Palace in Hanoi. The party leader said that the objective of the Vietnamese revolution under the leadership of the Communist Party of Vietnam was also that of Jesus Christ, namely national independence, freedom, equality, humanism and prosperity.

President of the State Council Vo Chi Cong also had a cordial meeting with members of the new committee for Solidarity of Vietnamese Catholics.

Heavy Downpours Submerge Rice in Ha Nam Ninh

BK1010090190 Hanoi Domestic Service in Vietnamese 2300 GMT 8 Oct 90

[Text] Rainfalls measuring 300-400 mm have been reported throughout Ha Nam Ninh Province over the past few days. The heavy downpours have submerged 24,000 hectares of 10th-month rice, more than 1,500 hectares of corn, and 1,600 hectares of recently planted winter sweet potatoes.

The provincial committee for flood and typhoon control and the water conservancy, agricultural, and electric power services have dispatched cadres to various districts to guide the antiwaterlogging efforts to save the 10th-month rice and winter crops. The electric power service has sent workers to repair damaged power lines and transformer stations to ensure steady supplies of power for pumping stations to drain flood water. The water conservancy service has been operating 35 large power pumps and 472 smaller power pumps continuously to combat waterlogging and save the rice crop. Meanwhile, production establishments have motivated peasants to quickly harvest those rice plants which have ripened and to protect the winter crops from waterlogging, thus allowing these crops to develop normally.

Rice Cultivation, Insect Infestation Noted

BK1110102890 Hanoi Domestic Service in Vietnamese 1430 GMT 10 Oct 90

[Summary] It is noteworthy in agricultural production that during the past 10 days all localities in the south have almost finished the harvesting of summer-fall rice. "To date, the southern provinces harvested 1.6 million hectares of summer-fall rice. This figure represents 94 percent of the cultivated area."

This year, due to prolonged drought and a shortage of fertilizer, the yield of summer-fall rice is lower than last year. "Only a certain number of provinces have attained a high yield of this rice. They include Phu Yen, with over 5.1 metric tons per hectare; Khanh Hoa, 4.3 metric tons per hectare; and An Giang, Dong Thap, Tien Giang, and Cuu Long, 3.4 to 3.8 metric tons per hectare each."

Along with quickly harvesting summer-fall rice, all localities have stepped up the cultivation of 10th-month rice. "As of 5 October, all the southern provinces had planted 10th-month rice on more than 1.3 million hectares or over 95 percent of the planned area.

In the northern localities, the harvesting of 10th-month rice has been carried out rapidly. "As of 5 October, these localities had harvested more than 205,000 hectares, almost doubling the area harvested during the same period last year.

"Meanwhile, the planting of winter crops has been carried out at a rapid pace. To date, all localities have planted these crops on more than 100,000 hectares or nearly 30 percent of the planned area."

In the north, army worms have done harm to 10th-month rice in Haiphong, Ha Bac, Ha Nam Ninh, and Thai Binh. Efforts are being made by these localities to stamp out these insects.

"In the south, brown planthoppers and white leafhoppers have caused damage to 15,000 hectares of rice in Minh Hai, Long An, Tien Giang, and Tay Ninh Provinces." Meanwhile, ground beetles have ravaged 10,000 hectares of rice in Long An, Tien Giang, and Ho Chi Minh City.

At the request of the Ministry of Agriculture and Food Industry, in the next 10 days the northern localities should concentrate on combating stem borers and army worms on the late 10th-month rice plantings, while continuing to plant winter corn, sweet potatoes, and soybeans on the remaining areas. The southern provinces should step up the pace of cultivation along with protecting 10th-month rice against insects and planting winter-spring rice.

Australia

PRC Official Complains of Students' Treatment

BK1710072090 Hong Kong AFP in English 0700 GMT 17 Oct 90

[Text] Canberra, Oct 17 (AFP)—China publicly complained Wednesday about Australia's treatment of Chinese students detained or deported for breaching visa conditions. The complaint followed the recent deportation of about 25 Chinese citizens, mostly students, for breaches of visa regulations.

Another 17 Chinese students are currently being held in five Australian states as part of a crackdown on students working instead of attending classes. These effected were among the estimated 20,000 Chinese students who came to Australia after June 20 last year.

Australia has offered longterm sanctuary to another 20,000 Chinese who were in Australia before that date because of feared victimisation following the Tiananmen Square massacre in June, 1989. About 1,400 of those are known to have voluntarily returned to the People's Republic despite the offer of sanctuary.

Chinese Embassy Education Counsellor Cai Peiyi made a direct request to the Australian Immigration Department for the names of all current detainees, but this has been refused. A media statement by the embassy referred to recent detentions "over which the Chinese Embassy has to express its concern."

The embassy accused Australia of failing to inform detainees of their rights to contact Chinese diplomatic or consular officials. "While detaining Chinese students who have in fact breached Australian laws, the immigration institutions should remind Chinese students of seeking legal advice and contacting with or meeting officials from the embassy," the statement said.

It was hoped the Chinese Embassy and consulates-general would be informed in time of the names and legal problems of the Chinese students "in case they did breach the Australian laws and ought to be repatriated."

A spokeswoman for Immigration Minister Gerry Hand said all detainees, as well as the 25 already deported, had been advised of their right to make contact with their respective embassies or consulates. Several Chinese student detainees, including some in Melbourne, had done so, the spokeswoman added. But the immigration department did not usually release the names of any detainees to embassy or consular officials without a specific request by the individuals involved.

The spokeswoman said there would be continuing checks involving the Department of Employment, Education and Training on Chinese student class attendance as well as on violation of visa restrictions on paid work. More detentions were expected, she said.

Hawke Says To Keep South African Sanctions

BK1310083290 Melbourne Overseas Service in English 0500 GMT 13 Oct 90

[Text] Australia has responded positively to a recent call by the leader of the African National Congress [ANC], Mr. Nelson Mandela, for the maintenance of sanctions against South Africa.

The prime minister, Mr. Hawke, says the government will keep its sanctions in place. He says its regrettable that continuing violence in South Africa's black townships and the increasing militancy of extreme right-wing white groups threatens the considerable progress being made towards dismantling apartheid.

Mr. Mandela says he has evidence that intelligence agencies associated with the South African police and military fermented violence between the ANC and the Zulu Inkatha Organization which has claimed about 800 lives in the past few months. The ANC leader is scheduled to visit Australia later this month.

Fiji

President Wants Nation To Decide 'Own Destiny'

BK0810072090 Melbourne Overseas Service in English 0500 GMT 8 Oct 90

[Text] Fiji's president, Ratu Sir Penaia Ganilau, says he hopes that by this time next year Fiji will have elected its new post-coup parliament or will be well on the way to doing so. Radio Australia's South Pacific correspondent, Jemimah Gareth, says Ratu Sir Penaia made his comments in a national address to mark Fiji's 20th anniversary of independence.

[Begin Gareth recording] The president said Fiji has made remarkable progress in social and economic reconstruction since the 1987 coup. [Words indistinct] degree of acceptance of the new Constitution. But he also lashed out at groups which he said were trying to enlist the aid of foreign governments to hamper the introduction of the new constitutional machinery. The ousted coalition has called for a boycott of elections to prove the constitution does not have majority support.

Ratu Sir Penaia said the misrepresentations and the [words indistinct] being used by these groups would widen divisions among the communities of Fiji. He told foreign governments that his country should be left to decide its own destiny. The president said national unity did not [words indistinct], and he called for a dialogue between different ethnic communities, motivated by tolerance and goodwill. [end recording]

New Zealand

Inflation Rate Drops; Poll Shows Labor Behind

BK1510103490 Hong Kong AFP in English 1004 GMT 15 Oct 90

[By Michael Field]

[Text] Wellington, Oct 15 (AFP)—New Zealand's inflation rate fell dramatically according to official figures released here Monday but the ruling Labour Party's gamble in holding elections after the announcement seems unlikely to save them from defeat in a fortnight.

A public opinion poll Monday showed Labour closing on the opposition National Party but still trailing by 16 per cent ahead of the October 27 polls.

Figures released by the statistics department put the consumer price index in the three months to September up one per cent to give a five per cent rate in the year. For the 12 months to June inflation was running at 7.6 per cent. The figures showed housing costs were the biggest contributor, accounting for more than a third of the one per cent increase while food was responsible for a quarter of the rise.

Because the inflation figures were in line with market expectations the announcement had no impact on the stock exchange, interest rates or the New Zealand dollar.

In August then Prime Minister Geoffrey Palmer sought to time the election after the release of the inflation figures as it was known they would be good.

Monday's figures were the first annual rates which did not include a July 1989 2.5 per cent increase in the goods and services tax which boosted inflation to 12.5 per cent.

However, the Gulf crisis has pushed up oil prices which will inevitably have an impact on inflation. Observers here said Monday's good figures were seen more as an historical oddity than a trend for New Zealand's future.

Meanwhile, a television New Zealand/Heylen poll of 970 voters broadcast Monday showed support from decided voters for National dropping nine points to 50 per cent while Labour had gained two points to 34 per cent. Pundits said National's 16 per cent lead did not look so strong when the 33 per cent of "don't knows" was taken into account.

The poll, taken on Saturday and compared with one two weeks ago, also showed incumbent Mike Moore with 28 per cent support as the voters' preference for prime minister, up seven points, while opposition leader Jim Bolger was on 16 per cent, up two points.

The poll also showed support for the Greens had increased to 10 per cent, up six points, and New Labour remained steady on four per cent.

Reacting to Monday's inflation rate Westpac Banking Corp. said it expected the December quarter figure to be between 1.5 and 2.0 per cent—taking annual price rises to between 5.3 and 5.8 per cent.

Mr. Moore and Finance Minister David Caygill said the inflation figures compared favourably to Australia's rate of more than seven per cent and Britain's rate of nearly 11 per cent. In a joint statement they said the results included some of the early effects of the oil price rise but the brunt of the increase would be felt over the next two quarters. "Our trading partners must also pay more for their oil and this result provides New Zealand producers with a clear head start," they said.

Mr. Moore and Mr. Caygill said the one per cent increase in prices in the September quarter worked out at an annualised rate of 4.1 per cent. "Our policies are restoring this country's competitiveness, which is critical to more jobs," they said. "It is no coincidence that New Zealand now has a lower inflation rate and lower interest rates than Australia. Countries which historically have very low interest rates, like Switzerland, Japan, and West Germany, also have good records of low inflation," they added.

Company Named Consultant for SRV Project

BK1210012290 Hong Kong AFP in English 2224 GMT 11 Oct 90

[Text] Auckland, New Zealand, Oct 12 (AFP)—A small Auckland company has been named the consultant for a four billion U.S. dollar project to build an industrial zone in Vietnam, the NEW ZEALAND HERALD reported Friday.

The project includes a harbour, industrial area, international airport, 350 kilometres (220 miles) of roads, three hospitals, five hotels, 15 schools, 120 restaurants and 100,000 apartments. The zone is planned for Vung Tau, a coastal city southeast of Ho Chi Minh City.

A director of the Auckland consulting group, Dennis Pettid, said the company won the contract almost by accident. Six weeks ago he was staying in a Malaysian hotel where Vietnam's deputy chief minister was also staying. They met, and as a result a message arrived from Vietnam on Wednesday giving the group the right to negotiate the deal. The letter gave them six months to negotiate a management contract with the Vung Tau People's Committee. They will be responsible for breaking up the development into 30 or 40 smaller contracts and selecting companies to carry them out. Financing will be through the Asian Development Bank.

Mr. Pettid said the arrival of the contract had boosted morale in the office. "We had just been through an inland revenue audit and I was thinking 'what can go wrong now?'" he said.